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Buried Treasures

Crown Wine Cellars' Gregory De'eb (left) and James Thompson are hoping the club will introduce more Hong Kongers to the pleasures of wine. Photo: Ricky Chung

SOME PEOPLE ASSOCIATE Crown Worldwide with relocation, through its offices in 45 countries. Others know the Hong Kong-based company for its record storage facilities, which house 2.3 million boxes across the SAR. But if James Thompson and Gregory De'eb have their way, Crown will also be known for its wine club housed in World War II bunkers in Shouson Hill.

The Crown Wine Cellars (CWC) will have 9,000-sq-ft of storage and club facilities, with space for a minimum of 100,000 bottles. It is targeting oenophiles who need a place to keep their wines and somewhere to enjoy their hobby, at an affordable price.

The idea came to De'eb in 1999 when the SAR government began considering what to do with bunkers that had been built in remote areas of Hong Kong during the war to store weapons and protect people. In 2001, De'eb, who promoted his country's wines during 15 years in South Africa's diplomatic service, mentioned his scheme to Thompson, the owner and chairman of Crown Worldwide Group.

Together they drew up plans and last June De'eb left his post as consul-general to Hong Kong to become general manager of CWC.

"This [wine storage facility] is the first in Asia," says De'eb, adding that construction is expected to start next month after CWC makes possession of the land. Work is scheduled to finish in April. "I've based it on the classic European and American models [of wine storage], but we've taken it another 50 per cent forward."

He plans to convert six underground bunkers (three pairs, each connected by a

tunnel) into wine storage areas and another pair into an atmospheric, wine cellar-like clubhouse where members can entertain guests and attend wine tastings, and where "platinum" members can keep their bottles. There will also be a dining area in the above-ground conservatory called the Glasshouse, and period-style park benches and lamp posts on the grounds to add an historic feel.

Having obtained only a seven-year lease on the site, the pair realise the risks involved, especially with startup costs in the "double-digit millions" and rent which has yet to be finalised. "It has to be handed back unless the government decides it's in its best interest to keep it on with us," he explains. "We have to look at this project as if we may have to hand it back in its restored state with no additions."

Nevertheless, the pair are optimistic about their plans. De'eb says they hope to expand to other bunkers and that they've already had expressions of interest for a similar cellar in Macau. To make CWC accessible to all wine lovers and in keeping with an agreement with the Hong Kong government, they are keeping fees low and have devised two membership schemes, although visitors and tour groups are also welcome to visit by appointment.

Gold members can store eight cases of wine in boxes for \$288 a month. They order their wines online from a "virtual cellar" and bottles will be retrieved by CWC staff. Platinum membership is \$360 a month and allows storage of five cases plus use of a private clubhouse room. These members have personal access to their bottles, which will be laid out on racks in the clubhouse and, subject to de-

mand, one of the six other bunkers. Thompson says: "Of course if you store more, you pay more."

According to De'eb, gold members will pay an average of \$3 a month to store a bottle, twice that for platinum. "This will allow a young secretary who earns \$12,000 a month, the opportunity to be a club member," he says. "The essence of this project is to increase the wine culture of Hong Kong."

An oenophile himself, De'eb has about 30 cases of wine at home. "They're in my spare room and it costs \$900 per month for electricity for the air-conditioners 24 hours a day," he says. "The only option I've got is to put some bottles in platinum storage and the majority in gold storage. At \$288, it's less than my cable TV costs."

He is the first to admit, however, that most Hong Kongers do not share his love of wine. "Hong Kong has a per capita wine drinking rate of 1.8 litres per person per year," he says. "That's the lowest of any developed city in the world." CWC hopes to change that. It has appointed South African engineers de Villiers and Hulme to turn the bunkers into temperature- and humidity-controlled facilities.

The bunkers are 120 metres underground and have walls about 1.2 metres thick. "It will be the pinnacle of wine cellar engineering excellence," De'eb enthuses. "If people are keeping very good wines with us, the best we can do is offer impeccable storage."

De'eb estimates conservatively that CWC will have a capacity for 100,000 bottles, with membership capped at about 1,000, or "whenever the facility is full". More than 130 people have already signed

up, including Chris Bonsall (chairman of WinPac and the Hong Kong Food and Wine Society) and Barry Burton (chairman of the Hong Kong Wine Society), as well as government officials and socialites. In addition to enjoying their wines in the clubhouse or Glasshouse, members can have their bottles delivered either to their home or to a restaurant "by drivers with little caps and World War II uniforms", according to De'eb. "The benefit is there's no corkage, no additional charges other than paying duty [which is currently 80 per cent]," he says.

Because of government regulations, CWC will not have a kitchen. Caterers linked by a computer system, however, are just a few clicks away. Sort of like Food by Fone? "Yes," laughs Thompson, "only to Petrus [at the Island Shangri-La] and Margaux [at the Kowloon Shangri-La]." De'eb adds: "You can draw up the menus, stipulate what you like, say what time you want the food delivered. The company delivers the food and we settle the bill by the back door. We pay for it and send you the bill at the end of the month. The whole idea is to make it a moneyless system."

One development that may work to CWC's benefit is the proposed "open-bonded system" being examined by the government Bills Committee over the next few months. If it passes, it means more wine lovers will be able to keep their collections in Hong Kong and pay tax on bottles only as they are taken out of storage and not in one lump sum. Currently, oenophiles importing wines must pay tax on bottles as soon as they arrive in Hong Kong, which can be costly when buying

cases of top Bordeaux or Burgundy. The only option they have to delay paying duty on wines that need to be aged for a decade or longer is to store the bottles in the country of purchase.

Wine merchants in Hong Kong who store their stock in bonded warehouses and pay tax on bottles when they're removed from the facility have even higher costs because they have to employ a customs officer. "They have to build them an office so they can do the paperwork every time something goes in and out," Thompson explains. "It's a very laborious system and there are minimum quantities you can get out at any one time." De'eb adds: "The open-bonded system realises this is a waste of time. We, as the managers in this facility or any other facility with the open-bonded system, would be responsible. We have to show what comes in and what goes out and pay the duty periodically."

A computer registration system linked to customs would facilitate matters. "When a customer [at the club] pulls a bottle off the rack and we scan it, it goes off our system and is automatically logged into the computer system for customs," De'eb says.

His enthusiasm is infectious, but still the question remains: why would De'eb want to leave the seemingly glamorous world of diplomacy to go into wine storage? "This is my opportunity to build something for Hong Kong and myself," he says. "This is restoring an old site which would otherwise just disappear... That really means something, at the end of the day."

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