

HONG KONG'S OWN WINERY

Hong Kong is the centre of the wine business in Asia. But it also houses one of only two wineries in the world where wines are made from snap-frozen grapes imported from major regions around the world. Stephen Quinn reports from Hong Kong.

New laws create opportunities. The Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) was the first free-trade agreement between mainland China and Hong Kong. Signed on 29 June 2003, it means all goods originating in Hong Kong and exported to the mainland enjoy substantially lower taxes.

Foreign companies exporting wine to the Chinese mainland pay high taxes. A range of duties on each bottle adds almost 48% to the original cost of that bottle. But for Hong Kong winemakers, CEPA means they pay only about half of those costs per bottle.

Lysanne Tusar founded 8th Estate Winery in October 2007, with CEPA in mind. She

conceived the idea over the family dining table in her hometown, Vancouver in Canada, and spent much of 2007 researching the idea. "The idea came while we were drinking good wine, which is appropriate."

The winery opened in Hong Kong in December 2008. But not in a farmhouse surrounded by vineyards. In a high-rise urban area.

The winery site, based in a converted warehouse on the peninsula of Ap Lei Chau, has 8,000 square feet in total. Half of that is for winemaking and the other half is venue space, including an outdoor terrace overlooking the ocean. In crowded Hong Kong this amount of space is rare and the 8th Estate uses it for cocktail receptions, weddings,

banquets and wine-related events. Tusar chose the location because the warehouse had reinforced floors needed to take the weight of hundreds of full barriques. "It also helps that rents are lower here, even though we are only a 20-minute taxi ride from downtown."

International appeal

How does 8th Estate work? Tusar's winemakers travel the world to source the best grapes: Merlot and Cabernet Franc from Bordeaux, Shiraz and Grenache from McLaren Vale and the King Valley in Australia, Sangiovese from Tuscany and Nebbiolo from Piedmont in Italy.

THE FLYING WINEMAKER

Eddie McDougall is a flying winemaker based in Hong Kong, who has been making wines for 8th Estate since 2010. He believes the concept of sourcing quality fruit from the world's best regions and shipping it snap-frozen to Hong Kong works well both in theory and practice.

"The selection of quality fruit, the type of grapes and the actual vineyard is determined by the winemaker," he says. "The region is generally selected by the winery owner." McDougall also says the winery could potentially do several vintages a year, because "you could hold the frozen fruit for a while. You could do a vintage from Australia, New Zealand and South Africa, and keep the grapes frozen in storage when they arrive in Hong Kong."

With red wines, grapes are usually shipped destemmed as individual berries, whereas the whites are transported as whole bunches. "With reds, the freezing causes a slight rupturing of the berries which releases slightly more tannin and also increases the depth of the colour and flavours."

McDougall runs a wine store in Hong Kong called The Flying Winemaker and the flying winemaker concept continues via his e-mail

address and skype handle. He launched his own wine label, called Umami, in Australia in 2007, but rebranded it in 2011 as Eddie McDougall Wines. McDougall commutes regularly between Hong Kong and Australia.

His Australian vineyard, in the King Valley of Victoria, makes about 1,500 cases a year and focuses on Italian varietals such as Sangiovese as well as traditional grapes like Shiraz. McDougall has made wine for Shad-owfax, Giant Steps, Clyde Park, Wood Park and O'Leary Walker.

Soon the Eddie McDougall brand will be more recognised around the Asian region because he will present a 13-episode television series about wine in the region.

Programmes will be made in India (two episodes), Thailand, Japan, Vietnam, Hong Kong, mainland China (episodes in both Yantai and Ningxia), Indonesia and Bali, Taiwan and Australia (2 episodes).

"We will explore countries like Japan, Vietnam and Taiwan, where wine has not been traditionally made, and look at recent

developments." The show will look at the people behind the vineyards, the travel involved in getting to the country, and also the foods that match with the local wine. "The idea is for me to be sent in cold. My part will not be scripted. I will turn up at the vineyards and react to what is presented to me. It's also about what kinds of Asian wines go with Asian food."

He says the show will look at some of the more obscure foods from the region. "In parts of Japan the local specialty is horsemeat, so it will be interesting to find what kinds of wine go with that."

Wines from all of the countries visited will be brought to Hong Kong for a major comparative tasting at McDougall's shop, The Flying Winemaker.

The series of half-hour programs, to be called The Flying Winemaker, will air at the start of Chinese New Year in January 2014 on the Discovery Channel.



Wine from 8th Estate Winery



“By importing international wine making talent along with exceptional grapes, our formula produces spectacular wine.”

Lysanne Tusar,
founder, 8th Estate
Winery

Grapes are flash-frozen straight after being harvested at minus 18 degrees - just like frozen peas - before being shipped to Hong Kong. Tusar said flash-freezing preserves grapes in peak condition. The frozen grapes thaw at the winery as a flying winemaker arrives from the same region as the fruit. Production begins as it would in any boutique winery in the world, and the wine then ages in French and American oak barriques.

“Our concept is simple,” says Tusar. “Source the best ingredients and make the best wine. We have done this by creating something no one else has in Asia - a fully functional urban winery. By importing international winemaking talent along with exceptional grapes, our formula produces spectacular wine,” she said.

Buying grapes also has the advantage that if a vintage fails, Tusar sources grapes elsewhere.

It takes three to five days for the grapes to thaw once they arrive, depending on the ambient temperature and time of year. Lab test are conducted at the vineyard, and also

at Vintessential Laboratories in Australia. Fermentation takes about a week. Each winemaker stays for three weeks during vintage, and then returns every three months during the next year to check the wine’s progress.

To date, the 8th Estate Winery has created a dozen wines, designed to “fit a range of taste buds”. Nine are red, with two whites and a rosé. The reds spend a year in barrel. The cost of oak barrels remains an issue for Tusar, just as it does for many wine companies around the world. “We get visits from lots of coopers who are always flying into Hong Kong, on their way to the mainland.”

The vineyard has only entered a handful of wines in shows and all have won medals. The 2010 Shiraz won a bronze at the 2011 Cathay Pacific Hong Kong International Wine & Spirit Competition. The 2010 Viognier won silver at the 2011 Shanghai International Wine Challenge, the 2010 Grenache got a bronze at the same event, and the 2010 Shiraz Viognier a silver.

Eddie McDougall describes himself as Hong Kong’s “flying winemaker”. He made the 2010 Shiraz at 8th Estate. McDougall believes frozen grapes can make fine wine. “Great restaurants like Robuchon serve meat that has been snap-frozen overseas and brought into Hong Kong and Macau,” he said. “The food the restaurant creates is still wonderful. I think the same thing applies with frozen grapes.”

In July 2013 McDougall was preparing to film the first episodes of a television series about winemaking in the Asian region. He is the presenter.

The 8th Estate Winery currently makes between 30,000 and 45,000 bottles a year but has the potential to double output because of separate vintages in each hemisphere of the world. “So we could do two vintages a year if we wanted, because vintage happens at different times,” Tusar said.

Eddie McDougall said that to the best of his knowledge only one other winery was using the snap-frozen approach: at Hatten



8th Estate Winery is located in an urban area.

Wines in Bali in Indonesia. McDougall has visited this property, which also imports must from Australia.

Not only is the venture unusual, but CEPA requires a three-year waiting period before goods qualify, so Tusar had to wait until early 2011 before the benefits started to show. Today, however, the 8th Estate Winery sells to Japan and Taiwan as well as Hong Kong and the mainland, where the main markets are Beijing and Shanghai. “We get lots of repeat business, which is a good sign.”

Lucky labels

A lot has changed since Tusar first conceived her idea. In April 2008 the Hong Kong government cut all tax on wine imports to the city to zero, which boosted the number of wine importers and effectively made Hong Kong the wine capital of Asia. Ali Nicol, a journalist who runs the wine blog Wine Times HK, has been based in Hong Kong for more than 20 years. He calculates that after the zero-tax regime started, the number of wine importers soared from about 300 to more than 5,000.

Tusar has been appointed an ambassador for InvestHK, the investment arm of the Hong Kong government, and also sits on the academic committee for the MBA in wine marketing launched by the University of Hong Kong - the first in the Asian region - in 2011.

And the winery is thriving. Tusar designed all the labels. In China, eight is a lucky number and this digit forms a theme on all labels. “Which is appropriate,” she said with a chuckle, “because at first we needed all the luck we could get.” ■