



# Dan Berger's Vintage Experiences

## The Weekly Wine Commentary

March 1, 2013

### A DOWN-UNDER VIEW

Those wine lovers who got used to wines from Australia and New Zealand at ultra-fair prices a decade ago might have underestimated the wines. So now that the dollars of both southern hemisphere nations have strengthened, we should not over-estimate them.

What I mean is that the wines have gotten better, so some of the price increases were inevitable.

When the best-marketed NZ SB (Cloudy Bay) sold here a decade ago for \$18, some people believed it was a bargain, but many others thought its low price shows its (to them modest) quality.

Today because of the exchange rate, the 2011 sells for an average price of \$27 and some retailers have it for as much as \$35 or more. And some say that's too pricey.

As prices for Aussie and NZ wines have climbed the last few years, many wine buyers demand more, and are suggesting that the wines are overpriced.

But remember: the majority of the price increases we have recently seen are a result of fluctuations in the dollars. All things equal, most such wines are better than they were a decade ago.

I have a lot of contact with those who make, market and import wine from NZ and Australia, and can see the advances in quality, and accept the price increases as inevitable, a result of currency issues.

The bottom line is that when the wines were here a decade ago, they were a lot better than their prices indicated. Today their prices reflect their actual quality.