

# Bordeaux Wines Bust Price Records With High-Tech Radio Tags: Elin McCoy

By Elin McCoy - Dec 6, 2010 1:01 PM GMT+0800

 Recommend 16  Tweet 13  Share 1  More  Email  Print



Henning Thoresen, chairman and CEO of BWB Group, a collection of global wine ventures, including Bordeaux Winebank. Six of his wines set records at a recent Sotheby's auction. Source: Bordeaux Winebank via Bloomberg

[Henning Thoresen](#) has a simple explanation for why wine buyers bid big for his 2000 Bordeaux at [Sotheby's](#) latest New York auction, including \$72,600 for a case of Petrus.

"That's the power of provenance," said the sandy-haired, soft-spoken chairman and chief executive officer of Bordeaux Winebank, after six of his wines set records. "When wines have it, collectors pounce and pay."

The 128 cases of first and top second growths, in original wooden cases, carried tamperproof traceability seals and used eProvenance's radio-frequency identification (RFID) tags to register whether they'd been subjected to extreme heat or cold during storage or shipping. A certificate for each case guaranteed it came direct from chateau cellars and had been stored in Bordeaux since release.

Thoresen watched as cases of Lafite fetched \$36,300, while Palmer (\$4,235), Haut-Brion (\$14,520) and La Mission Haut-Brion (\$12,100) set records, all from the great 2000 vintage. It is the result of what Thoresen calls "5-Star Provenance," a term he's trademarked.



Max Bordeaux Wine Gallery in Bordeaux, France. Enomatic machines dispense small tastes of top crus classes wines, such as Chateau Lafite-Rothschild. Owner BWB Group plans to open similar "taste galleries" in New York and Hong Kong. Source: Max Bordeaux via Bloomberg

He's built his Bordeaux-based BWB Group, with \$110 million of top labels, on the idea that prices for wines with the best provenance will sell for much more than those that have changed hands many times in the market.



A 2000 Lafite and 2000 Mouton. Bordeaux Winebank put 128 cases of blue chip Bordeaux on the block at Sotheby's in New York on November 13, 2010. Source: Sotheby's via Bloomberg

Of his first auctioned wines, 94 percent sold for well over their high presale estimates. Another 128 lots will be offered by [Sotheby's](#) next month in Hong Kong. Then it's on to London.

## Asian Market

Most top lots at the New York sale went to phone buyers bidding briskly in Mandarin, showing once again how important the Chinese have become for great Bordeaux. That's surely why Chateau Lafite's 2008 bottle will carry the Chinese symbol for "8," a lucky number there. And just last week Chateau Mouton- Rothschild revealed that the artist selected for their 2008 label is Chinese painter Xu Lei.

The day before the auction, we sat in plush chairs and drank tea in midtown Manhattan as he told me his plans to take Bordeaux Winebank global. Thoresen, 46, had flown in from Taiwan, where he'd attended 13 wine lunches and dinners for private clients in a week. That evening he would be wooing more buyers at Sotheby's lavish pre-sale dinner. He'd spent the following week scouting for potential business partners.





The label of a bottle of 2008 Chateau Mouton Rothschild, designed by Chinese painter Xu Lei. Source: Chateau Mouton Rothschild via Bloomberg

In 2011, he plans to open Winebank facilities in New York and Hong Kong with storage centers, collector services and tasting galleries, echoing his operation in Bordeaux.

#### Chateaux Visits

A Norwegian who began his career importing wines for his country's liquor monopoly, Thoresen was seduced by Bordeaux on his first visit when he drove a tiny rented Renault Twingo up to Chateau Margaux to snap photos. When he set up BDXV luxury wine company in Singapore in 2003 (rebranded [BWB Singapore](#)), he decided to source wines only from chateau cellars.

"You can't just call up a chateau and ask for an allocation," he said. "Who are you?" they'll say. I had to work with top negociants and take a very humble approach."

He brought Asian clients to visit various chateaux and knew he was getting somewhere when Prince Robert of Luxembourg, owner of Chateau Haut-Brion, gave him a special room to taste in.

To raise money to buy more 2005 futures, Thoresen drew on 400 private Asian clients to start a Cayman Islands-based wine fund three years ago. Though affected "big time" by the financial crisis, he said he didn't have to sell off any wine. He moved the fund to Luxembourg in July to attract more European investors.

#### 'Big Con'

"People in France think you're laundering money or hiding taxes or dealing drugs when they hear Cayman Islands," he said.

Wines direct from a chateau take away the worry of fakes and minimize the risk of damage because of poor storage, problems buyers may not otherwise discover until they open a bottle.

Michael Egan, Winebank's director of authenticity and auctions, said he's seen collections that were 90 percent fakes.

"It's like buying a second-hand car -- you don't know where the wines have been," he said.

"Large format bottles are the big con now, because few chateaux have records for them."

Egan is the Bordeaux liaison for billionaire [Bill Koch](#), who is suing several auction houses and collectors for selling wines he says are counterfeits. So far, none of the wines has been judged fake in court.

Provenance has become more important for auction houses and merchants, with companies like Bordeaux's eProvenance improving shipment tracking and facilities like Corsham, England-based Octavian Vaults issuing certificates of pristine storage.

Another part of Thoresen's global strategy is getting younger drinkers to fall in love with Bordeaux.

## Wine Credit

That's the idea behind his Max Bordeaux Wine Gallery on Bordeaux's main shopping street, opened in 2009, where you can sample 48 crus classes by the glass under a hanging sculpture of 600 sparkly glasses. In the stark, high-ceilinged space, glass towers hold bottles and six Enomatic machines offer 25 ml to 75 ml tastes.

On a visit earlier this year, I purchased a plastic card with 50 euros (\$67) credit, slid it into the slot above Lafite, punched a button, and a tiny 25 ml sample streamed into my glass for 23 euros. (A full bottle costs 591 euros.) A sip of 2006 Ausone? 38 euros. Mouton and sweet stunner d'Yquem? A mere 10 euros each. It's a wine lover's version of a sweet shop and totally addictive -- I had to add more funds to my card.

All tasted as good as if poured at the chateaux. I hope Bordeaux Winebank's gallery in New York opens soon. This is one part of globalization I can afford.

([Elin McCoy](#) writes on wine and spirits for Muse, the arts and lifestyle section of Bloomberg News. The opinions expressed are her own.)

To contact the writer of the story: Elin McCoy at [elinmccoy@gmail.com](mailto:elinmccoy@gmail.com).

To contact the editor responsible for this story: Manuela Hoelterhoff in New York at [mhoelterhoff@bloomberg.net](mailto:mhoelterhoff@bloomberg.net).