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We may be poor, but wine's still fine with us

BY FRED TASKER

In hard times, people give up nonessentials like wine, right?

Au contraire.

Maybe we're just drowning our sorrows, but Americans drank more wine in 2008 than in 2007. Cheaper wine, perhaps, but our thirst endures.

"I'd quit buying clothes before I'd quit buying wine," said Beth Johnson of Coral Gables, picking up a \$25 bottle of gewürztraminer to serve with cheese.

As the South Beach Wine & Food Festival opens its four-day run Thursday, those who make, distribute and sell wine are scrambling to keep us sipping in a bad economy, and we who imbibe are benefiting from their trouble.

Supermarkets are running specials, cutting \$15 wines to \$10 and \$10 wines to \$5. Wine shops are bringing in less expensive labels from new areas. Smart sommeliers are offering cheaper choices in the face of declining restaurant wine sales.

"Wine's the affordable luxury," says Mike Martin of Constellation Brands, which owns Robert Mondavi, Simi, Estancia, Franciscan and a dozen other wineries. ``A bottle of wine might be \$7; a new car or flat-screen TV is a lot more."

These days, the customer is king. At least half the bottles on the shelves at a Miami Winn-Dixie supermarket were marked down by several dollars as Eleanor Laring shopped for a soft, red wine to go with her family's Thursday night meatloaf. She usually gets a \$14 Mont Gras pinot noir; this time she picked a \$9 Gallo.

"We all still have our jobs so far," the Kendall office manager said. ``But we're being careful with money just in case."

Kevin Smith, who owns a Coral Gables biomedical engineering firm, took the same tack in a different price range at a Crown Wine & Spirits in Coral Gables. He loves the 2003 Chateau Pichon Longueville Comtesse de Lalande Grand Cru Classé Bordeaux, but passed on the \$140 wine in favor of a 2006 Penfolds Cabernet/Shiraz Bin 389 for \$30.

"I have an unlimited wine budget," he says. ``But there's a guilt factor. With zillions of people out of work, it just seems excessive to spend too much on a bottle of wine."

The two shoppers bracket the new national trend -- still drinking wine, but paying less for it.

Total U.S. wine consumption was up by 1.5 percent in 2008, for its 15th straight year of growth, reaching 300 million gallons, which makes the U.S. the world's second-largest wine consumer behind France, according to Gomberg, Fredrikson & Assoc. and other wine consultants.

"The U.S. wine market is still healthy," says Martin of Constellation. ``There's a sense that there's a move toward less-expensive wines."

With overall volume up only slightly and customers trading down, Martin said the industry expects 2008's dollar total to dip, but the numbers aren't in yet.

"We were flat in January, but our core business is still pretty healthy," says Chip Cassidy, wine buyer for the 31-store Crown Wine & Spirits chain. ``People may not be going out as often, but they're not drinking any less wine. If they like wine with dinner but they're on a budget, they'll have it at home."

And it'll be the less-expensive stuff, Cassidy adds. 'Everybody says, `Show me a \$15 wine that tastes like a \$30 wine.' "

At Wolfe's Wine Shoppe in Coral Gables, owner Jeffrey Wolfe says he saw the bad economy coming two summers ago.

'People started getting nervous. We started stocking more value wines. We would go to our suppliers and say, `We need a \$50 cabernet sauvignon we can sell for under \$20.' We brought in wines from different parts of Europe. Spanish wines have been getting better, and people are waking up."

At the 255 Sam's Clubs that sell wine, volume is holding up, but customers are buying cheaper wine, said chain wine buyer Gillie Brandolini.

"People who were spending \$12 are spending \$7. We have a Chilean cabernet sauvignon called Veo that sells for \$6.88. It's very well received," Brandolini said. ``Boxed wines and four-liter glass jugs are popular again."

An under-\$20 Black Box cabernet sauvignon holds the same amount of wine as four bottles; an \$8 jug of Carlo Rossi yields the equivalent of five bottles.

In restaurants, where wines are often marked up to three times retail or higher, wine sales were down by 5 percent in 2008, according to a Nielsen survey, and 66 percent of consumers reported cutting back on fine dining.

"Restaurant wine sales took a really big hit after the economic crash in September," says Fredrikson. "Expense account money for taking clients out to dinner hit the wall."

At Chef Allen's in Aventura, chef-owner Allen Susser says he's selling more wine today than last year, but that customers' overall checks are down -- a function of his lower menu prices as well as less-expensive wine choices.

Last year Susser's California chardonnay list emphasized Cakebread Cellars at \$107, Kistler at \$133, Paul Hobbs at \$150; this year it features Au Bon Climat at \$45, Talbot at \$50, Jordan at \$60.

The corkage fee paid by customers who bring their own wine remains at \$25.

"I want people to come to my restaurant," Susser says.

Wine shop owners and customers also are benefiting as distributors quit playing hard-to-get with wines they used to sell exclusively or largely to restaurants.

A year ago, says Andrew Lampasone of Wine Watch in Fort Lauderdale, he had to accept two cases of less desirable wines to get one case of Louis Roederer Cristal Champagne. Today he can get a free bottle of Cristal for buying a case.

"The hostages are gone," he said.

Back at the Crown shop in Coral Gables, Vin Marottoli, a retired French teacher from Fort Lauderdale, was buying wine for his son, Vinnie, 35.

For himself, Marottoli likes the 2004 Ruffino Reserva Ducale Oro at \$40. ``It's like velvet going down."

For Vinnie, he bought under-\$20 bottles.

"There's no need to spend so much," he says. ``There are great wines in that category."

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