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# Glut of grapes knocks down price of better-quality wines

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The Arizona Republic  
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A glut of grapes in the United States and abroad has pushed down prices of some better-quality bottles of wine, making it a good time for people to stock up at home.

Even as the under-\$10-a-bottle market explodes, consumers can trade up to a much nicer bottle of wine for just a few dollars more, something to keep in mind as New Year's Eve partygoers flock to liquor shops and grocery stores to pick up vino.

"In terms of what you can get, bang for your buck, it just keeps getting better and better," said Cyril Penn, editor of the California-based trade journal *Wine Business Monthly*.

Deals are so good, *U.S. News & World Report* said recently, that it is the best time to stock up in more than a decade.

The price slashing isn't across the board, though. Australian and South American wines have come down in cost, but wine from the Bordeaux region of France, for example, is getting more expensive.

Meanwhile, California, the top wine-exporting state in the United States, crushed a record-breaking 3.7 million tons of grapes for wine in 2005, according to the California Agricultural Statistics Service. That is up 35 percent from 2004.

The oversupply of grapes will pinch the profits of vineyards, but consumers are toasting the bargains out there.

Ted Powell, manager of AZ Wine Co. stores, with three locations in the Valley, said the bargains come as wine producers and sellers attempt to clear out their inventory and make way for new vintages.

Among AZ Wine's deals is a Chateau Ste. Michelle 2004 Reserve Cabernet Sauvignon, marked down to \$12.99 from \$19.99.

A Conn Creek Napa Valley 2002 Cabernet blend has been discounted to \$27.99 from nearly \$50.

"It's nice to be able to sell these wines at a lower price to the customer," Powell said. "It's a good time to buy wine."

But droughts are on the horizon, which should help the industry soak up the excess, experts say. Consumers' increasing interest in drinking wine also should help.

Arizona's \$18 million wine industry - California's, in comparison, is \$51.8 billion - is improving in quality, but prices aren't coming down, said Rod Keeling, a vineyard owner and president of Arizona Wine Growers Association. The state has 24 vineyards and 22 wineries, according to the wine group.

"Most of our wines are going up in price," Keeling said. "There's only so much of it, and we sell everything we make."

The cost of uberpremium wines, those priced at \$150 or more for a bottle, are climbing, too, said Greg Brickey, co-owner of Epicurean Wine, a store and bar in north Scottsdale.

But the prices of premium wines are staying put at his stores, he said.

"It's a great time to buy wine in the \$30-to-\$50 range," Brickey said. "The prices have stayed very

competitive. They haven't gone up like everything else has. In effect, it looks like a drop (in price)."

Consumers who are buying bubbly for New Year's Eve may want to pass up Champagne, named after the region of France from which it comes, for an alternative such as sparkling wine, Brickey said.

Because of the relatively weak dollar, French Champagne is costlier than it has been in at least two years.

The most widely available ranges from \$20 to \$50. Moet & Chandon White Star Extra Dry, which sometimes can be found just under \$30, is hovering closer to \$40 this year.

"You see a lot of people going for domestic sparkling wine because the price of Champagne is so high," Brickey said.

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