



Into the fray ... MW Wines principal Robert Worthington says classification helps buyers. Photo: Eddie Jim

Classified information

A new list ranking our top wine producers stirs up the competition.

THE word classification has a special meaning in the wine world. It denotes an authoritative listing of the greatest wine-producers of a particular region or country. Melbourne retailer, the late Dan Murphy, attempted Australia's first in the 1970s but it's way out of date.

For the past 19 years, auctioneer Langton's has maintained the only serious attempt at an Australian wine classification. It is based on performance in the auction market and a wine must have been produced for at least 10 vintages to qualify.

Now we have a challenger. Melbourne-based fine wine auction house MW Wines has a new classification.

It is based on grape variety and there are separate lists for each of the most important varieties and blends. Wines need to have been made for five vintages to qualify. The model is a formula based on auction prices and volume and results in a rating. Langton's takes no account of volume of production but MW Wines believes volume affects price, so includes it.

On the face of it, MW Wines' classification seems credible. But first: why classify wines?

The principal of MW Wines, Robert

Worthington, says the public wants the information. He believes it gives his customers information they may use as a buying guide.

There are other reasons, I would suggest. One is to raise the profile of MW Wines. Another could be to stimulate demand, another to boost prices – and I would guess the classification by Langton's has helped raise prices over its 19 years. Another could be to stir the possum: MW Wines and Langton's are competitors and I would bet there's a fair bit of rivalry behind the smiles.

If you run your eye over MW's classification you'll see it's fairly predictable and doesn't differ too much from Langton's. A handful of wines are in that never would make Langton's because they have fewer than 10 vintages on the ground. Two Hands Ares Shiraz and Glaetzer Amon Ra are examples.

Both classifications cover 100 wines. MW's is split into varietal sections: 46 shirazes, 25 cabernets, 10 pinot noirs, 10 chardonnays and nine other varieties. Langton's has four divisions: exceptional, outstanding, excellent and distinguished.

MW's is ranked by number in each variety. In shiraz, for instance, No.1 is Grange and No.46 is Wendouree Shiraz Malbec.

My beef about Langton's classification is its use of ratings as a way of promoting individual wines in its auction catalogues. Penfolds Grange gets a rating of "exceptional" in the classification and this word appears beside every Grange listed for

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sale in a Langton's auction. How can anyone say the quality of 1993 and 2000 Granges or 1989 Mount Mary Cabernets is "exceptional"? MW Wines will also use the classifications in its auction catalogues.

It must be the season for wine investment analysis, as Wine-Ark is about to release its list of Australia's Most Collected Wines, an annual survey based on the wines its clients have in the Wine-Ark storage. It will be on its website from Tuesday.

Another curious piece of related

information came out last week. Langton's – which is now owned by Woolworths – issued a graph showing wine outperformed the Australian Stock Exchange over the past two years. Well, gee, almost anything would have, wouldn't it? More significantly, "ultra-fine" Australian wine was said to have gone against the trend of the international fine wine market, which is dominated by Bordeaux.

Bordeaux was estimated to have fallen 20 per cent since July 2007. Langton's says in the same two years, Australian ultra-fine wine prices increased by 64 per cent. But a closer look reveals we are not talking about a level playing field. Langton's graph is based on 28 wines from five vintages (1990, '96, '98, '02 and '04), all outstanding years. A more meaningful comparison would be a comparable basket of Bordeaux – say the 28 highest-rated chateaux from the five greatest vintages since 1990.

Nevertheless, the Langton's index suggests a remarkable turnaround in fine Australian wine investor behaviour.

See mwwines.com.au, wine-ark.com.au and langtons.com.au.