



The Marqués de Riscal Hotel by Frank Gehry.

# Inside Rioja

The wealth of innovative wines, which peacefully co-exist with the big traditional wines, continues to attract the attention of international wine lovers and can be attributed to the openness and flexibility of Rioja winemakers.

**N**ot only has the production of DOCa Rioja grown significantly over the last 15 years, but there have also been great changes in the composition of its producers. An independent group of small to medium-sized family businesses has developed alongside the well-known large winemakers. Last autumn, over 500 producers once again created a very impressive range of wines. In spite of its size, Spain's flagship wine region

is seen as unique and versatile, in that no other major appellation of the Iberian Peninsula boasts such an abundance of styles and philosophies as Rioja.

## INCREASING VARIETY

That Rioja is ranked top of Spain's appellations is no coincidence. The growing area on the banks of the Ebro was the first quality wine region in the country to be awarded D.O.Ca. status, thus reinforcing its position

at the very pinnacle of quality winemaking in Spain. Today, 20 years later, there is no longer any doubt that this region with its 63,000 ha of vineyards is at the forefront of Spanish wine production. Rioja is subject to the strictest control mechanisms of Spanish wine law; it invests more systematically and above all, more consistently in promotion than any of its competitors on the entire Iberian peninsula; and is one of the few significant winegrowing areas of southern Europe that

manages to sell its entire production. With its reputation for quality and value, Rioja has become Spain's key winegrowing region.

This reputation is no accident. Over the past decade, price stability has been a central strategy of the wine authorities. Some years ago, D.O.Ca. Rioja created an instrument designed to bring about the stabilisation of supply and demand; known as *stock cualitativo*, the tool is intended to guarantee a stable relationship between supply and demand for D.O.Ca. Rioja wines. This is not a new concept, as it originated in the 1980s when concerns were first raised about sharp price increases and the resulting market turbulence. The principle is simple: a strategic reserve of young wines is established. D.O.Ca. Rioja lays down a security stock each year to discourage the price increases that might otherwise occur during lean years. It appears that this measure has had the intended calming effect on buyers and sellers, as both sides have profited for many years from a solid and reliable price policy, free from speculation.

Of course, the appellation's growth over the last 15 years has also contributed to this stability. Rioja is no longer just a region of production giants. Many young winemakers and businesses today run independent family concerns, with the result that there are far more small-scale producers than in previous decades. Rioja has become individualised, in effect. The impressive number of new, high-quality brands has created a stir on the Spanish wine market.

And it is not just the number of producers that has grown. Vineyard acreage has also steadily increased. With almost 63,000 ha, the region has attained a size that commands respect and, with an average yield of 4,300 L per ha, currently produces as much wine as it can sell. After the usual quality inspections, approximately 267m litres were classified as D.O.Ca. wine in 2011. At the same time, the Upper Ebro region was able to sell 268m L. Admittedly, however, the wineries have more than three harvests in stock. On the other hand, of course, it should also be taken into account that more than 63% of the D.O.Ca. red wines now sold are wood-aged wines classified as Crianza, Reserva or Gran Reserva, which must be stored in wood and bottles. This result must be considered a success for the appellation, which only a dozen years ago still marketed more than half of all *tintos* as young wines.



View to the north of Sierra Cantábrica.

## The cradle of Tempranillo

Rather than arguing about whether Rioja is really the cradle of Tempranillo – incidentally there is much to indicate that this is the case – it is more important to explain why the grape has found its ideal home in Rioja.

There may be terroirs that produce more powerful Tempranillos, but the fine quality that makes up much of the grape's charm is nowhere better guaranteed than in the Rioja region. This can definitely be attributed to climate. The Upper Ebro region, in contrast to the centre or south of Spain, enjoys very moderate weather, thanks to the balance of Atlantic and continental influences. These conditions, together with the clay and limestone soil that's mixed with river stones and the run-off from the nearby mountain range, constitute the ideal *terruño* for the Tempranillo. According to several experts, the world's best Tempranillo sites are located along the golden mile, as the approximately 30 km-long stretch of land north of the river in the western Rioja region is called. Over 51,000 ha are planted exclusively with quality red grapes. Garnacha, Mazuelo and Graciano complement the red varieties and, so far, the D.O.Ca. Rioja has resisted attempts to open the door to Cabernet & Co. Knowing that you are drinking a red wine that originates from the Rioja area is one of the region's greatest appeals – and one which is much appreciated by Rioja's customers.

It is easy to understand why Rioja continues to attract the interest of investors and entice them into new projects in spite of the eco-

nomics crisis. Vega Sicilia, in cooperation with Benjamin de Rothschild, has acquired over 100 ha of old vines on the north side of the river and is now building a new wine cellar in the Basque winemaking village of Samaniego. What is also attracting attention is the project currently being undertaken by the Basque export group Araex, under the leadership of Javier Ruiz de Galarreta, with Michel Rolland. The co-operative's first wine is from the 2010 vintage and will be introduced this year.

The region has also increased its appeal thanks to the construction of some architecturally spectacular wine cellars. Rioja has developed into a top-class destination for wine tourism. Renowned architects such as Frank Gehry, Santiago Calatrava, Zaha Hadid, as well as young Spanish architects, have made their mark in Rioja. Also justly famous is Rioja's cuisine, which is known, in particular, for its excellent vegetable dishes. The region's main town, Logroño, has been named Gastronomic Capital of Spain 2012. In the old city through which the Way of St James (*El Camino de Santiago*) runs new hotels and restaurants are springing up. The tapas mile around Calle Laurel and Calle San Agustín is one of the most famous of its kind in the country.



Bodegas Ysios, one of the great works of architecture in Rioja.

## The contrasting wine styles of D.O.Ca. Rioja

One of the greatest strengths of D.O.Ca. Rioja is without doubt the huge variety of its wines and the impressive range of wine producers.

**W**hen it comes to winemaking, Rioja's winemakers can stand with those from the world's greatest red wine areas. From a technical point of view, Rioja's use of modern vinification methods plays a significant role in the success of the area; however, traditionally produced Rioja wines also have fans all over the world. This fine balance between the traditional wine producing methods and modern cellar techniques is what makes Rioja so fascinating. But what defines a 'modern' Rioja and what is meant by the term traditional style?

The first red Rioja to which the term modern could be applied originated from the winery of the Marqués de Riscal. This producer, which had been around for a very long time, decided in the second half of the 1980s to react to the new international trends and, in 1986, created a new wave red Rioja under the brand name Barón de Chirel. It was christened by press and

winemakers alike as *vino de alta expression* (a wine of high expression). Technically speaking, the winemaking process for this new Rioja style can be summarised in just a few sentences. Grapes are picked late to obtain mature harvests with high tannin and colour characteristics. A longer maceration period is implemented to achieve a stronger extraction, followed by aging in new French oak for a shorter period of time than in the case of the traditional Riojas, where the barriques are mainly made of used American oak. The result is a wine with a deep colour, a powerful and concentrated body and a bouquet of new perfumed wood with strong notes of vanilla and smoke.

This first 'modern' Rioja opened the floodgates and the following year other producers followed suit and began producing this type of wine. Good examples are the pioneers Dominio de Conte from Bodegas Bretón, San Vicente from the Eguren

brothers and Pagos Viejos from the cult winemakers Juan Carlos López de la Calle, even if from today's perspective these can no longer be seen as ultra modern. Today the modern wine style, which naturally allows the most varied of interpretations, is one of the most important pillars of D.O.Ca. Rioja's diversity.

At the other end of the style spectrum are of course, the traditionalists who, particularly in the past five years, are enjoying popularity once again after being generally considered outdated at the end of the millennium. Today, many of the former critics of traditional Riojas have revised their prior opinion and have completely re-evaluated the characteristics of these veterans. In principle, it is the classic wine producers who lend Rioja such a special aura. While modern wine of all types and varieties are produced in successful appellations worldwide, true traditionalists can only be found in a few cultivation areas. Due to this conservative group of producers, Rioja occupies an exceptional position amongst the other wine regions of the world.

In the year 2002, a group of traditionalists formed the *Asociación de Bodegas Centenarias* (Association of Centennial Wineries), which today comprises 11 members and flies the flag for classic Rioja. And it is not just the historical vintners of Rioja who produce traditional wine, as several Bod-



Modern winery architecture  
in the Rioja Alta



Classical Rioja: the winery of  
Marqués de Murrieta

egas have recently begun to cultivate the classic wine style. A prime example is Bodegas Hnos. Peciña. Although the winery was only established in 1992, the proprietor Pedro Peciña makes some of his wine in the classic style, while also including a modern line as part of his range. A typical feature of this business, which works predominantly along traditional lines, is the late release of its classic wines. The pinnacle of the Rioja tradition however is embodied by Bodegas López de Heredia, Viña Tondonia, which continues to age its entire wine production in old barrels and produces a wine which, on account of its lightness and fine quality, gives the impression of a wine from another era. It could be justifiably said that this winery, with its extremely conservative philosophy, represents a rarity in the international wine universe. Mistakenly, many wine journalists believe that Europe is the main market for traditional wines. In actual fact, however, this type of wine is far more in demand in the USA and Asian countries.

A great traditional red Rioja has a gleaming ruby-red appearance, combines the aromas of American oak with red fruits and the delicate notes of undergrowth, and displays a remarkable acid structure and smooth tannins carried by a fine-spun body of only moderate concentration. The fascination of this wine type can largely be attributed to it being very accessible while demonstrating great complexity at the same time. The astonishing storage potential of this wine is also spectacular. It is therefore no wonder that, in this time of a return to elegance, the classic Rioja is experiencing a renaissance.



Neo-classical fermentation cellar at Dinastía Vivanco

## Barrique-aged wine the traditional way

Rioja is considered to be the cradle of the Spanish barrique-aging process, as well as the initiator of the quality grades according to which Spanish quality wines are classified.

Included are white, rosé and white wines, whereby the latter constitutes almost 90% of the total wine production, with the majority designated as the grades defined by aging, Crianza, Reserva and Gran Reserva. Over the last four decades, the terms 'barrique' and 'Rioja' have virtually become synonymous, so strongly is the wood-aged Rioja style anchored in the consciousness of the consumer. The classification is based on a bill which came into effect in 1970 and applied throughout the country. Rioja acted as the driving force behind the legal framework, as the upper Ebro appellation was the only cultivation area in the country that widely produced wines in small oak barrels, and was also famous for wines of particular vintages, which were aged in the cellars many years before being made available to the consumers. The idea to market wine when it was ready to drink has a long history, which goes back long before the legislative authorities created a single framework. In earlier times, aged wines of particular

quality were given various designations. Although the term *Reserva* appeared on many labels, designations such as *gran vino fino* or *gran vino de Rioja* were much more common. Nothing more than a uniform label on the back of the bottle declared the protected origin of the wine. Different levels of classification were unknown. The Spanish wine regulations of 1970 ushered in a new era and the quality classification system based on region began to take shape.

In the first decade following the introduction of the quality classification, wines in the basic category – those without specific details on the length of aging – dominated. It has only been in the last decade that aged wines belonging to the superior quality categories have managed to surmount the 50% hurdle; previously, more than 50% were not aged in wood. Today the categories of Crianza, Reserva and Gran Reserva make up well over 60% of the total amount produced. Almost 1.3m barriques were filled with wine in D.O.Ca. Rioja in 2011.



Traditional single stem training in a goblet shape

## The four quality classifications

The wines of Rioja – and, of course those from most of the other Spanish quality wine producing areas – are divided into four quality classifications.

### Vino joven

The classification with the most need of explanation is that of generic wines, which are simply classified as *vino joven*, or young wine. Previously, this classification could be used for any wine intended to be marketed as 'young wine', which had not undergone aging in oak barrels or bottles. As the result of significant changes in wine and wine production over the last 15 years or so, more and more high-quality wines have elbowed their way into this category; the lack of an aging definition meant it offered the greatest freedom. Consequently, this basic category has absorbed the super-premium wines of the new wave of individualists who have been making their mark on the D.O.Ca. Rioja designation for some time now. If previously it was Gran Reserva wine that demanded the highest store price, today it is an elite group within the generic basic classification which can earn the highest prices.

It took some time for the authorities to react. In the middle of last year, the governing control board – the wine authorities in Logroño – adopted a new designation for this generic quality classification into the legal framework for Rioja in order to do justice to the special wines of this

basic classification. The new designation is no longer *joven* but now *garantía de origen*, or guarantee of origin. This basic classification, which incidentally is distinguished by a light green label on the back of the bottle, stands for a genuine young wine, including, of course, almost the entire white and rosé production. The classification also covers red wine with any length of barrel aging, which, for a variety of reasons on the part of the winemakers, was not to be included in the quality classifications Crianza, Reserva and Gran Reserva.

### Crianza

The first quality classification to be based on a specific storage or aging time is called *crianza* – in English, aging or maturing. Although, of course, several white wines – rosé *Crianza* as a style has almost ceased to exist – continue to be marketed under this category, almost the entire production in this category is red. A clearly defined style does not exist, although this category is actually the most homogeneous of the four classifications. In general, *Crianza* wines are easily accessible harmonious, red wines of medium concentration and with fruit notes. There are also *vinos de crianza*, which have a medium-term aging potential and an ex-



Large oak fermentation vats.

cellent appearance after six or seven years. According to the D.O.C.a: "The designation *vino de crianza* is awarded to red wines that have been aged for a minimum of two years, one of which was in a small oak barrel (barrique). White wines and rosés are also aged for two years, six months of which takes place in oak barrels." Last year, almost 105m litres of D.O.C.a. Rioja were awarded this quality classification, which is indicated by a light red label on the back of the bottle.

### Reserva

The next level of classification is defined as *reserva* and must fulfil the following criteria: "The designation *reserva* is given to red wines of a very good or excellent vintage that have been aged for three years in a barrel or bottle, of which one year must be in a barrique. A minimum storage period of two years applies to white wines and rosés, six months of which must take place in oak barrels."

The Rioja *reserva* category includes a wide range of styles. Wines in this category are considered to be very typical and high quality and generally keep well. They are more concentrated and cannot always be drunk immediately when they come onto the market. Also, the fruit and tannin have not yet attained their balance by the time they are released. *Reservas* are the top quality wines from several medium sized producers, and can be very powerful or extremely robust. At various other vineyards that also regularly produce Gran *Reservas*, the *Reservas* generally represent the modern style, while a Gran *Reserva*, which has been aged for a longer period of time, stands for tradition. Rioja released approximately 42m litres of *Reserva* in 2011.

The flagship of Rioja still remains the Gran *Reserva* class, as the topic of Pago or single-site wines is not up for debate in D.O.C.a. Rioja; Pago is defined as excellent quality from one single vineyard. Rioja does not use this. Contrary to the often prevailing opinion that the top quality wines of a region also have to be the most concentrated, the majority of Gran *Reservas* are fine, mature and elegant. Muscular wines in this top class are more of a rarity. Although Rioja is not a mass producer of Gran *Reserva*, it released 5.645m litres from its cellars last year, of which 4.1m litres were exported. Incidentally, the new back label for this wine is dark blue.

## Gran Reserva – the flagship

Over the last 50 years, no wine has contributed more to the prestige of Spanish wine than the Gran *Reserva* from Rioja. At times it appeared to be outdated. However, the current international trend towards elegance rather than power favours mature Atlantic wines. So the timeless classic is likely to do well.



Some traditional companies in Rioja still maintain coopers.

The ability to understand the characters that arose from completely different winemaking traditions and styles, and from regional differences, was once essential for access to the world of wines. Approximately two decades ago, however, attempts were made to introduce new, globally applicable standards: the more mature the fruit, the higher the concentration and the greater the use of barriques, the better the red wine was considered to be. It was thought that a harmonious creamy fruitiness should ideally unfold as soon as possible after the harvest. Once consequence of the worldwide taste for conformity was that individuality, aging and elegance were in danger of being seen as old fashioned. Bad luck for Gran *Reserva*?

Of course, the method of slowly vinifying the best wine of the best vintages, and releasing it onto the market when it was ready for drinking some years later, did not originate in Rioja. But nowhere was this process carried out with more conviction. The concept of allowing great wine time to

develop was so deeply ingrained in Spain, that it was correspondingly enshrined in the wine laws: the longer a wine was aged in a wooden barrel and in the bottle, the higher the quality.

It is not the goal of these wines to display their primary aromas – that is reserved for young, simple wines – but rather a complex array of mature aromas where fresh fruit is not dominant. The aging process takes place in older barriques, to allow the wine time to develop and to mature – *crianza*. Noticeable wood tones are definitely not desired, and neither are clear or even dry tannins. The classic Gran *Reserva* is a complex, elegant wine, which can be aged over a long period, with a very noticeable acidity and an unmistakable style – one which acts as a role model for many other wines.

However it seemed far simpler and apparently more lucrative to market thick fruity wines in the second year following the harvest. This meant that, in the 1990s at least, Rioja was in danger of replacing

their unmistakable wines with “we can also do thick and fruity”. Many journalists and some merchants viewed the Gran Reservas as a failing category of old-fashioned ‘thin’ and oxidative wines. Of course, that is not what they are. But neither do they fit into a global flavour profile which does not permit any deviation.

If you simply look at the figures, there are happily, changes afoot. Consumers like Gran Reserva from Rioja, and sale are no lower than they were 30 years ago. Since 1994, total sales – both domestic and export – have remained stable at over 4m L. Of course, 2008 and 2009 were crisis years in Spain, with heavy losses compared to previous years, as the result of a brutal decline in sales of high-quality wines. However since 2010, things have been looking up again. In 2011, 5.6m litres of Gran Reserva were sold. International sales are compensating for the consequences of the Spanish economic crisis with apparent ease.

Gran Reserva from Rioja is therefore in no danger of dying out. It continues to remain as important for the region as it has always been. The outstanding position of Gran Reserva as a mature, trendsetting prestige wine is an important marketing factor for the success of Rioja. “This wine sums up our philosophy and our history,” says Maria José López, of López de Heredia, a guardian of the very traditional Gran Reserva style.

Suprise, surprise: sheer power and concentration became boring. Sommeliers, oenologists, journalists and merchants are once again speaking of elegance and fineness. The trend is moving away from tannin and wood towards acidity and character. This new change in international taste comes right on cue for Gran Reserva. Throughout the world, articles are once again appearing on the special appeal of the classic wine. And it could be said that a process of convergence has also taken place, so that the style of many modern Riojas once again accentuates elegance and freshness, while reducing wood and pure power. Top wines in the modern style are once again noticeably accentuating the classic Atlantic freshness of Rioja. On the other hand, many very good Gran Reservas have gone some way to meeting the desire for a more fruity flavour. It confirms the old saying that a timeless classic never dies. It adapts without losing its character.



Vineyard showing modern trellising system.

## Rioja international – an exemplary brand image

Rioja benefits from its high level of name recognition and from the great trust which consumers place in the quality of the wine. Although it is a designation of origin, the term ‘D.O.Ca.’ also offers consumers a recognisable brand. This is surely one reason for its continuing export success, which the Consejo Regulador is supporting worldwide this year with its promotional measures in the most important markets.

**R**ioja achieved its best ever sales success in the year 2007. Then the impact of the economic crisis was felt, even in this prestige region of Spain. Nevertheless, Rioja recovered quickly- in 2011 it sold 268.9m L, making that its best ever sales year. Exports accounted for a somewhat higher percentage of sales than before the economic crisis, selling almost 92m L abroad in 2011, a new record. Yet even within Spain, Rioja with was able to recover faster than other regions.

As the British research organisation Wine Intelligence discovered in several studies in 2007, 2009 and 2011, the international strength of Rioja is based on a very high level of name recognition. Even more importantly, customers who know Rioja have a higher readiness to buy than of any other wine region in the world. Tellingly, Rioja has the best conversion rate of name recognition and purchase decision, being ranked ahead of Bordeaux, Burgundy and Chianti. This is the most significant discov-

ery in a study done of 11,000 consumers in the 11 countries responsible for 75% of the world’s wine consumption: Australia, Canada, Denmark, Finland, Germany, Ireland, Japan, Netherlands, Switzerland, Great Britain and the USA.

If you compare the four most important export markets of Rioja, as Wine Intelligence did in 2009, the conversion rate in

### Rioja at a glance:

<b>Vineyards:</b>	62,100 ha
<b>Production:</b>	2.68m hL
<b>Domestic:</b>	Accounts for 66 % of D.O. wines
<b>Most important export markets:</b>	the UK, Germany, the United States, Switzerland, Sweden, Holland, Mexico
<b>Growth area:</b>	barrique aged wines



Museo Vivanco with winery in Briones: the world's most comprehensive wine museum.

these countries is higher than that of all import regions combined. Only in Switzerland and in the USA do domestic wines get better results. This shows that consumers all over the world trust the wines of Rioja.

In 2011, Wine Intelligence further supplemented these results with studies in the UK, Rioja's most important export market. Their survey of 1,000 consumers showed that Rioja is placed fourth after Bordeaux, Burgundy and Chianti with respect to the name recognition of wine regions. However where the consumers then have to decide which wine from the ones they recognize they would like to purchase, Rioja comes out at top place. "When the English think about which wine they would like to buy, they first think of Rioja. That is proof for us that we maintain a very good relationship between price and quality, and that we enjoy a high level of trust," said Ricardo Aguiriano, the Marketing Manager for D.O.Ca. Rioja, at the time the study was presented.

### THE EXPORT PICTURE

More than two-thirds of Rioja's exports are concentrated in the four most important export countries of the UK, Germany, USA and Switzerland. These countries also belong to the region's eight focus countries for promotional events. Moreover there are four further important target markets: China, Mexico, Sweden and Spain itself. In 2012, Rioja plans to invest approximately €7.4m on marketing in these eight countries, investing more outside the EU.

The UK has increased its imports of Rioja by 28% in the past two years, making it far and away the biggest export market. Rioja spends €1.2m on marketing, the most important initiative being the successful and award-winning 'Festival Rioja Tapas Fantásticas' in London, which is expected to attract 15,000 visitors. A further important event is

### Exports 2011

Country	m Litres	%
Great Britain	30.7	33.5
Germany	18.2	19.8
USA	8.7	9.3
Switzerland	6.5	7.1
Netherlands	3.1	3.4
Sweden	3.0	3.3
Belgium	2.3	2.5
Ireland	2.2	2.4
Mexico	2.0	2.1
China	1.7	1.9
Other	13.7	14.9
<b>TOTAL 2011</b>	<b>91.9</b>	<b>100.0</b>

SOURCE: CONSEJO REGULADOR

### Rioja sales (in million Litres)

Year	Domestic	Export	TOTAL
1985	67.7	28.6	96.4
1990	77.3	26.0	103.8
1995	126.0	59.1	185.1
2000	120.1	39.9	160.0
2005	179.6	71.2	250.8
2006	182.7	79.0	261.7
2007	187.5	84.6	272.1
2008	172.0	79.9	251.9
2009	163.7	72.4	236.1
2010	181.3	85.9	267.1
2011	177.0	91.9	268.9

the Rioja sommelier challenge and a promotional event in 25 wine stores.

The second most important market is Germany where, in the past five years, sales have risen by 38% – with a doubling of Crianza sales and a tripling of Reserva sales. With its participation in the consumer Eat & Style exhibitions, the region is promoting the name recognition of Rioja to consumers.

The USA, the third largest foreign market, is considered by Consejo Regulador to be the strategic key market in the years to come. Sales have increased by 43% since 2009. The USA, in particular, with capital expenditure of almost €3m, is the central focus of marketing activities in the year 2012. Targeted sales support will be initiated at the point of sales in several important cities and younger consumers will be subsequently targeted in a lifestyle magazine in 2012.

Switzerland takes fourth place. The market of this relatively small land is already virtually saturated with 6.5m L of imports so not surprisingly, no further increases are expected. Strong sales growth has taken place in the Netherlands in recent years, meaning it has now overtaken Sweden.

The strong growth in Rioja sales in recent years can, not least, be attributed to the astonishing growth of China. In 2008, the Chinese enjoyed 300,000 L of Rioja. In 2011, with sales having risen to 1.7m L, China had become the tenth largest consumer of Rioja. The region now plans to invest €500,000 in the market, some of which will be used to train specialist personnel through seminars and tastings.

Mexico, currently in ninth place, will also be an important target market for the marketing of Rioja in 2012. The region plans to address end consumers, in particular, through comprehensive promotions in a variety of media.