

CROATIA MAKES HEADWAY

Croatia's nearly 1,800-kilometre-long coastline and 1,200 islands have lured holidaymakers for ages. But, says Darrel Joseph, while the country elicits accolades for its rich culture and beautiful scenery, there's something desperately in need of recognition: its wine.

Croatian winegrowing began in the fifth century BC on the islands of Korčula, Vis and Hvar, yet the country's quality wine remains virtually undiscovered because the 1,000 quality-wine producers are outnumbered by several thousand small and home wineries. Croatia's Ministry of Agriculture estimates there are 33,000 ha of vineyards with an annual wine production of approximately 1.5m hl, yet the Croatian Centre for Agriculture, Food and Rural Affairs - which measures commercial production - states there are 18,678 ha of vineyards and an annual volume of 0.67m hl.

"There are half a million tourists going from Austria to Istria and Dalmatia every year, but many of them do not get to taste the good-quality wines," says Anto Petrovic, who owns Weinmonarchie, a Vienna-based wine import firm. "They usually get the simple wines and think that's all Croatia produces."

Witnessing countries like South Africa, Argentina, and neighbouring Austria and Slovenia gain international prominence for their distinctive wines, Croatian winemakers are united in the belief that their own wines can match the quality of wines from anywhere in the world. As Drazan Dennis Sunjic, with wine importer and distributor Coe Vintners in England, says: "You tell me how many countries there are that can produce every style of wine, from sparkling and dry to off-dry, whites, reds, rosés, botrytised sweet wines and ice wines, all at a top level. You don't have to look outside of Croatia to please all palates."

Croatian terroir dissected

The Primorska (coastal) region is home to half of Croatia's vineyards and features terroirs

ranging from gentle northern terra rossa hills to steep, chunky, limestone slopes in the south. Several hallmark varieties thrive throughout the dry, sun-drenched summers and short, mild winters, especially Istria's crisp, fruity white Malvazija Istarska, and the red, hyper-ripe and plummy Plavac Mali of Dalmatia.

The newly designated Istočna kontinen-

Of the 200 varieties growing in Croatia, 60 are indigenous. Graševina, planted to 27% of the country's vineyards, is the most widely grown. It is followed by Malvazija Istarska, grown in 11% of the vineyards, and Plavac Mali, in 9%. International varieties such as Riesling, Chardonnay, Cabernet Sauvignon and Merlot are represented in 2% to 3% of the vineyards,

while other indigenous specialties, including the white Pošip, Grk and Debit, and the red Babić, Teran, and its cousin, Refošk, each account for around 1% to 1.5% of the planted vines.

White wine is dominant and represents 70% of the country's total production, while red wine accounts for around 28%. Sparkling, rosé and sweet wines comprise the rest. Of the total wine produced, 5% is designated as Vrhunsko vino (premium wine) and 62% as Kvalitetno vino (quality wine). The remaining 32% is produced as Stolno vino (table wine).

Getting the word out

"I want to raise people's awareness of the good wines, so I am importing 70 quality Croatian wines into Austria," says Petrovic, who is promoting varieties from top producers that include Graševina from the Belje and

Iločki Podrumi wineries in Podunavlje; Malvasia from the Kabola, Degrassi, Matošević and Arman wineries in Istria; and Plavac Mali from the Plenković and Saints Hills estates in Central and Southern Dalmatia (Srednja i Južna Dalmacija). The imports - which carry a wholesale price from €4.32 (\$5.83) to €46.20 - have risen 30% per month this year. "I see the chance for Croatian producers to come to the EU market, and this is why I am doing more tasting promotions in Vienna. Since the last two promos this year I've sold another 2,000 bottles."

WINE NUMBERS

| | 2008 | 2009 | 2010 |
|---|--------------|--------------|-------------|
| Total Croatia wine production* | 64.2 | 54.9 | 53.1 |
| Total wine import* | 14.4 | 13.7 | |
| Macedonia | 8.9 | 8.3 | |
| Bosnia & Herzegovina | 1.8 | 1.9 | |
| Serbia | 0.7 | 1.1 | |
| Slovenia | 1.1 | 0.8 | |
| Italy | 0.4 | 0.5 | |
| Other | 1.9 | 1.6 | |
| Total wine export* | 2.8 | 2.7 | |
| Bosnia & Herzegovina | 1.3 | 1.2 | |
| Germany | 0.7 | 0.8 | |
| Serbia | 0.1 | 0.2 | |
| Austria | 0.1 | 0.1 | |
| Italy | 0.1 | 0.1 | |
| Other | 0.4 | 0.3 | |
| Per capita consumption of wine in Croatia* | 13.39 | 11.92 | |
| Apparent consumption* | 59.4 | 52.8 | |
| Population (in millions) | 4,435 | 4,428 | |

SOURCE: EUROMONITOR

*in million Litres

talna and Zapadna kontinentalna (Eastern and Western) regions are inland. The Western continental region, marked by steep, lush, basin-shaped hills and a generally cool climate bodes well for Riesling and Pinot Noir. The Eastern continental region's hot summers and rocky, loamy and clay soils are optimal for the predominantly white varieties, especially the flagship Graševina (known as Welschriesling in Austria), which yields unusually deep, crisp, mineral examples from the sub-region of Slavonia.

Croatian wines made a major breakthrough in the UK in 2009 when eight were awarded gold medals at the prestigious annual Decanter World Wine Awards. One of the winning winemakers, Vlado Krauthaker from Kutjevo in Slavonia, has since seen his wines listed at top British restaurants, most notably The Fat Duck, which bought and sold Krauthaker's entire supply - around 900 half-bottles - of succulent Graševina TBA 2007.

Indeed, Croatian wines are sold in other prestigious UK restaurants including London's China Tang at The Dorchester and Benares, but prices are sometimes not what a broader consumer audience is seeking. "Some consumers still kind of see Croatia as being 'Eastern Europe' with £5.00-wines for stag holidays," says Drazan Dennis Sunjic. "They think all the wines should be cheap. But it's not that way at all! In Croatia, 85% of the growers have less than one vineyard ha each. And only 1% have wineries with more than 10 ha each. Most everything is done by hand. They can't compete with big wine-producing countries, so prices cannot be cheap." He says the big wineries have the volumes to keep prices affordable, giving as examples

Badel 1862, Zlatan Plenković and the Agrokor Vina, whose seven Croatian wineries, including Istravino, Iločki Podrumi and Belje, produced 9.8m litres of wine in 2010. "Nevertheless, you have to spend money to get a good Plavac Mali - around €8.00 to €10.00 ex-cellar, which means it would come to the UK for around £20.00 before VAT," he continues. "Still, sommeliers here love different wines to spice up a wine list. They are open to try new wines."

In the US it's a tale of two coasts. In San Francisco, the Blue Danube Wine Company, an import/distribution firm specialising in Central European wines, has been experiencing a gradual increase in Croatian wine orders. Although the unstable US economy has affected wine prices and sales in general, there are still enough wine drinkers that explore relatively uncharted territory.

"It's not the 'everyday Joe' who is showing interest in Croatian wines here," says Frank Dietrich, owner of the firm. "It's those who usually are ambitious, curious, and get more enjoyment out of life by trying new things. They are not intimidated by the sometimes-complicated Croatian names either."

Dietrich emphasises that his best-selling Croatian wines are indigenous single varietals, such as the Malvazija 2009, from Moreno Coronica in Istria, and the Dingač (Plavac Mali) 2009,



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Drazan Dennis Sunjic,
Coe Vintners

from the Dingač Winery in Dalmatia, which retail for \$12.00 to \$20.00. One of the top-selling higher-end wines is the Pošip "Intrada" 2009, by Luka Krajančić from Korčula. Retailing for around \$25.00, this wine is selling well in San Francisco and Los Angeles restaurants because its full-body and herbal, mineral and fruit tones pair well to a wide range of foods, such as fish, oysters and even barbecued meats.

In New York City it's a different story, as while the interest is there, the Croatian brand as a whole has not yet caught up with the quality it delivers, especially because of established, cheaper wines from other countries. "New York is the world's dumping ground for wine," says Daniel Pedisich, owner of Oenocentric. "Sommeliers may be influenced by a big distributor with a lot of money who wants to sell a big shipment of cheap wine. Ultimately this hinders the development of boutique wines, such as Croatian wines."

Pedisich points out that the average retail price of Croatian wine in New York is anywhere from \$20.00 to \$40.00 per bottle while the average retail price for a bottle of, for example, Spanish or Argentinian wine, is between \$12.00 and \$15.00. "Fortunately there is now a group of young New York sommeliers who are less prone to selling out to cheap wine, and are experimenting with good wines," he says. "Still, I think a place like San Francisco is eight to 10 years ahead of New York in terms of mind-set."

Big plans in place

Currently 95% of all Croatian wine is consumed within the country, shedding light on the importance of boosting international

recognition and exports, as domestically produced wine consumption is likely to decrease over the next few years due to Croatia's approaching European Union membership. High-quality wines from larger EU member countries are expected to more easily enter the Croatian market at prices lower than Croatia's own quality wines, but a bevy of programmes and activities are already underway to counteract this.

The Croatian Chamber of Economy recently created the Association of Winemakers, comprised of Croatian winegrowers and producers. Its member roster is still being put together and its development strategy for the newly established umbrella brand Vina Croatia is under creation. Also, major annual wine fairs that have gained prominence in Croatia are beginning to garner international recognition as well. These include Vinistra, ZagrebVino.com, and Ingrid Badurina's Zagreb Wine Gourmet Festival.

Financial backing is at the ready, and has even come from sources lacking winemaking backgrounds. Alenko Djunjer, for example, is a dentist and trained opera singer who has poured approximately €10m into the Zlatan Plenković wine estate, which has vineyards on the island of Hvar and near the towns of Makarska and Šibenik on the Dalmatian coast. Djunjer now owns half of the 110 ha of the Plenković vineyards in Šibenik, and has ploughed through the area's thick, heavy stone soils to plant new vines of red varieties Plavac Mali, Babić (a gentler version of the sassy, tannin-rich Plavac Mali) and the original Zinfandel - Crljenak Kaštelanski - which also happens to be a parent of Plavac Mali.

"The grapes of this area are one of a kind," says a proud Djunjer. "And we want to grow more of them. We already have one million bottles to sell, and in five years, when we'll be harvesting the new vines, we'll have five million bottles to sell. With these there will be enough to send everywhere - to the US, Russia, China, also Canada and Sweden. Enough for the entire world to know how unique Croatian wines can be."

It's a tough road ahead, but with international tastings and entries in prestigious wine competitions on the rise, and an increasing number of sommeliers and restaurateurs from London to San Francisco listing Croatian wines, Djunjer and the Croatian wine-producing community seem up to the task. ■