



HOWARD RIPLEY

Burgundy and German Wines

Then...



And now...

Quick Guide to the German Auctions

A brief introduction

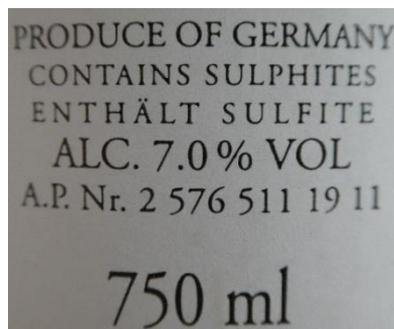
The auctions began at the turn of the twentieth century as a way of combatting widespread fraud. Unscrupulous merchants (shurely no such thing?) were blending, adding and diluting, and reputable growers banded together into associations which guaranteed the purity and origin of the wines being sold.

From the 1930's wineries began to sell their wines directly, and the auctions were used to sell only the finest bottles. In order to differentiate the auction wines from the regular releases, a dated 'auction sticker' is used to identify them:



Auction sticker

As ever with German wines though, the surest way to identify an auction bottling is by the last four digits of the AP number. For example the 2004 Auction Wehlener Sonnenuhr Auslese from Joh. Jos Prüm carries the number [06 05]; the 'regular' Wehlener Sonnenuhr Auslese is [19 11].



Detail of a German label: the wine's identifier from the ten digit AP number is [19 11]

Auctions today

There are four major auctions each year, all closely spaced in the latter half of September:

- Bernkasteler Ring
A group of Mosel Growers, originally founded in 1899. They are lesser known for the most part, and bargains can always be found here.
- Grosser Ring / VDP
The most important auction, organised by the Mosel Chapter of the VDP (Verband Deutscher Prädikatsweingüter) – comprising some of Germany's best estates, founded in 1908
- Rheingau Auction / VDP
- Nahe Auction / VDP
This also includes growers from the Ahr (all red), Rheinhessen and the Pfalz.

What is on offer?

Only the finest bottlings are sold at auction, and they are not normally offered through the usual sales channels. Each estate chooses what to send from any vintage, but the very sweet wines have to be at least two years old. In practice growers bring their best wines, usually from the most recent vintage, with some rarities popping up.

Most of the wines at Mosel Auctions are made in the traditional style, but in 2019 dry wines are being offered for the first time. A mix of dry and traditional wines are sold at the Rheingau and Nahe auctions.

Are they worth buying?

You decide: these are the best wines that Germany has to offer. Because quantities are so small – sometimes just a few hundred Spätlese or 24 bottles of TBA – they go for premium prices.

How do the auctions work?

The players

On the podium:

- The President of the VDP Mosel
- The auctioneer
- The grower – present when his estate's wines are under the hammer

In the hall

- The commission agents – there is no open bidding, so these do it all on your behalf
- The buyers – sitting at long tables with the commission agent at the head
- The spectators – at the back of the hall, where they belong.

The auctions are open to all. There is a pre-auction tasting in the morning, where you are able to sample almost all the wines. In case you miss some, each wine is tasted again while it is being auctioned in the afternoon (a 'wet' auction).

What happens is a dialogue between the auctioneer, the grower and the agents, negotiating how to divvy up the bottles in each lot at the best possible price for their customers. This takes the form of huddles under the podium and can be less than exciting to watch.



A huddle of commission agents horsetrading, as the auctioneer looks on.

How the bidding works

Still interested? Nitty-gritty time then!

Wine is sold by the bottle: choose a wine you are interested in, and work out the maximum price you are prepared to pay. You can have a single bid for a fixed number of bottles at a fixed price, or you can hedge by splitting your bids for each wine.

For example: **say the opening price of Joh. Jos. Prüm's Spätlese is €20, and there are 300 bottles in the lot.** Here is how a bid can look:

I want:

1 bottle up to €100 per bottle hammer price, or

6 bottles if the hammer price is not more than €45 per bottle, or

12 bottles if the hammer price is not more than €35 per bottle, or

18 bottles if the hammer price is not more than €30 per bottle, or

36 bottles if the hammer price is not more than €25 per bottle

What the commission agent does next...

The agent collates all his bids for each wine. When the bidding starts, he will try to match his demand to the price called out by the auctioneer. The example continues below: say that three agents have bids for the 300 bottles of Spätlese as follows:

Agent Max	Agent Fritz	Agent Karl	Total demand
6 bottles to €90	3 bottles to €100	1 bottle 'no limit'	10 bottles
96 bottles to €42	72 bottles to €45	12 bottles €50	180 bottles
120 bottles to €35	180 bottles to €35	24 bottles for €35	324 bottles
180 bottles to €30	198 bottles to €30	36 bottles to €28	384 bottles
240 bottles to €25	216 bottles to €25	120 bottles to €24	576 bottles

Bidding opens at €20. As the bidding approaches €25, these three will walk to the front and discuss. Since they have more bids at €25 than the 300 bottles available, the auctioneer raises the price. A lot of the bids drop out. As the price moves to €30, it is still clear that demand outstrips supply. The price goes up again. At €35, demand is for 324 bottles; at this point, the agents will ask the grower to add extra bottles to cover the shortfall. If he agrees, 324 bottles go under the hammer for €35. If he doesn't have extra stock, or if he wants the price to go higher, the bidding rises to the next level at €42, at which point only 180 bottles are sold. The grower will have to take back the surplus.



An ecstatic Egon Müller achieves the record price of €12,000 per bottle for his 2003 TBA

What will it Cost Me?

Prices are in Euros. You should expect to pay the equivalent in £ once commissioners' percentage (5%) shipping, duty and VAT have been added. Thus, a bottle that sells for 30 Euros will cost you a bit more than £30 all in, depending on the exchange rate.

How can Howard Ripley help?

Howard Ripley is the only UK merchant regularly attending the auctions as a buyer since 2002. We can bring our considerable experience to bear to help secure the wines you want. We offer the following service:

- Projected prices for wines
- Collation of bids and advice on purchases
- Regular tweets throughout the auction with updates
- All logistics: invoicing and shipping.

Please contact us for more details.

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