



Markets and development of Burgundy wines

In Burgundy: gradually returning to normal

Burgundy has benefited from the gradual global economic recovery, returning to a situation which is more in line with the norm, after an unprecedented economic crisis which had a strong effect on the international wine sector.

Like many, Burgundy suffered the consequences of a fall in wine consumption. But it also suffered:

- ✓ From its top-end positioning, whilst throughout the world consumers were moving down a range;
- ✓ From its dependence on the USA and the UK (together representing 45% of Burgundy's exports), the countries the most hard hit by the crisis;
- ✓ From its dependence on traditional channels, which were particularly affected, with the disappearance of certain chains of wine shops in the UK and the overall fall in the number of people eating out in restaurants in all countries.

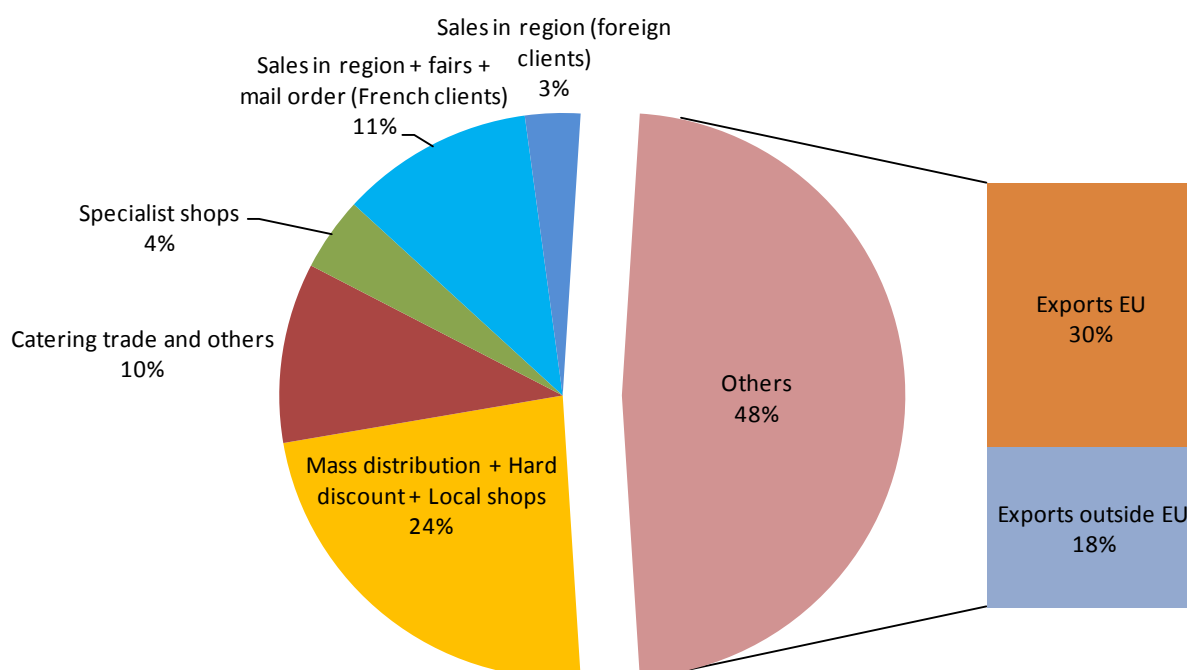
It therefore took time for the situation to recover, especially as the exchange rates are still affecting European wines on the main markets.

Certain public measures are also having a strong effect, such as the increase in tax on wine in the UK (+40% in 5 years) which reduces consumers' purchasing power.

But Burgundy, which has always been an exporter, has the capacity and the willingness to rebound and attract new markets.

With 200 million bottles produced every year, it is a drop in the ocean producing only 0.5% of worldwide wine production. Nevertheless, it sells half of its wines on the export market and its positioning, which focuses on niche markets in each country, provides it with the ability to quickly find new consumers, making up for the decline in its historic markets.

Estimated breakdown of sales of Burgundy wines (March 2011)



Since the end of 2009, Burgundy has begun a new growth phase in its exports. With a rise of 13.5% by volume and 16% by value, the **year 2010 allowed it to cancel out some of the losses recorded** during the crisis and to return to a level which is almost in line with the average for the vineyard. This rise is even more welcome as it was seen on the large majority of the key export countries.

The initial results for 2011 confirm the upturn as exports of Burgundy wines have gained 11% by volume and 8.5% by value in the first quarter, compared to the same period of 2010.

On the French market, sales of Burgundy wines have remained stable, at around 99 million bottles. Although wine consumption has seen a structural decline in the country, it is becoming more favourable to Burgundy wines as consumers are increasingly focusing on quality rather than quantity.

Finally, **Burgundy also benefited from a healthy situation** when it entered the crisis. Although stocks temporarily increased at the height of the crisis, they never reached huge levels and are already falling. The current reduction in volumes available is also due to the last two vintages: the excellent 2009 vintage, which is much sought-after by international clients and the 2010 vintage with its promising quality and low volumes. Neither of these two will weigh on the companies' stocks.

The regional market in Burgundy finds balance again

Declining stocks

In July 2008, stocks of Burgundy wine with the winegrowers reached **their lowest level since 1999**, with only 10 months of sales on average.

With the crisis, and given the large volumes of the 2009 vintage (which is luckily of high quality), stocks rose to around one year of sales, without seeing the levels of 2006.

The recovery in sales combined with the small harvest in 2010 should lead to another fall in wine stocks of 8%, bringing it to 11 months of sales, i.e. 183 million bottles.

This volume is relatively low: 2/3 of the still wines stocked are Grands Crus and Village Appellations which require ageing.

Stocks with the wine merchants, however, only grew by 4% during the crisis. In July 2010, they reached the equivalent of 140 million bottles. The increase in stocks mainly concerned Crémant de Bourgogne, which has real potential in France and abroad.

The overall recovery in sales recorded for over a year (particularly exports) should allow a fall in this volume.

The 2010 vintage will not weigh on stocks

The **2010 harvest** is one of the smallest in Burgundy since 1995 (with the exception of 2003, the year of the heat wave when the harvest was reduced by a third). With only 185.7 million bottles, **it is down 12.5% compared to 2009 and -6.5% compared to an average harvest.**

Excluding 2003, the harvest of red wines has never been so low, falling to 55.6 million bottles (-10% compared to an average harvest). This fall, which began in 1999, confirms a trend in Burgundy towards white wines, without forgetting Crémant de Bourgogne, the market share of which could grow again in the near future.

With 115 million bottles, the fall in the harvest was less marked on white wines (-4%) and particularly benefits from the reserve system (VCI) implemented in Chablis.

■ The economic situation sees a clear improvement on the regional market, returning to a healthy state of affairs

The volumes which have left the storehouses since September 2010 have seen a significant rise (+4% at end March 2011) and could reach a normal level of sales by the end of the campaign (end July), with an equivalent of 197 million bottles.

A substantial amount was sold to Burgundy wine merchants which had already bought the equivalent of 107 million bottles at end April, i.e. 5% more than during the previous campaign (at the same date). The increase in stocks at the wine merchants is a sign that sales on the market are improving. The wine merchants favoured regional appellations as they are lower in price and easier to sell during difficult economic periods.

■ **The export market: considerable recovery in Burgundy's exports**

After 18 difficult months due to the international financial crisis (end 2008 and 2009), exports of Burgundy wines saw 15 months of growth. The decline observed at end 2009 gave way to significant, consistent growth throughout 2010. The first quarter 2011 confirms this positive trend.

■ 2010: gradually returning to normal

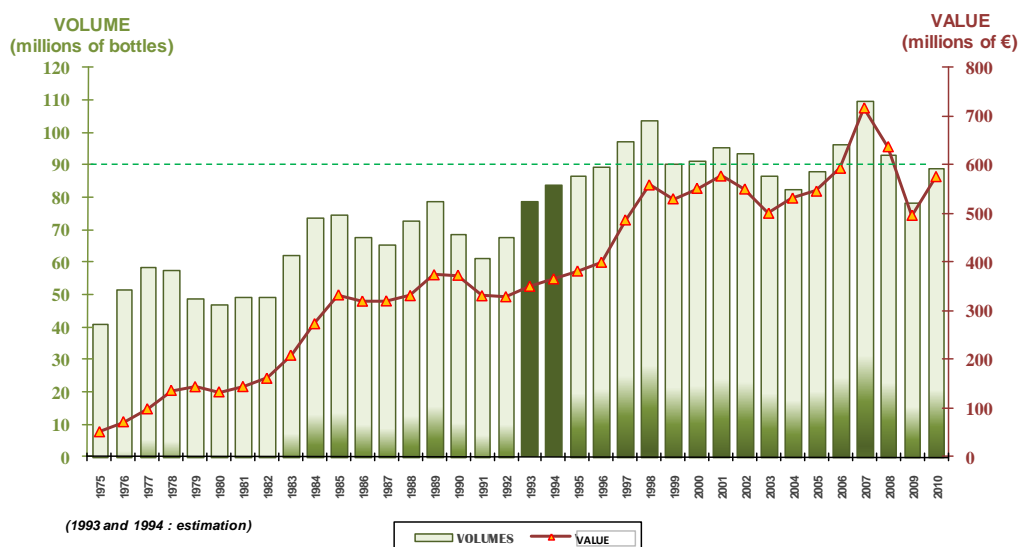
In 2010, Burgundy gradually returned to its pre-crisis growth levels, cancelling out a large part of the losses recorded in 2009.

With 89.2 million bottles exported and growth of 13.5% compared to 2009, the year 2010 ended with volumes close to the average levels observed for the vineyard over the last ten years (91.5 million).

Another positive element, particularly in a context which is still difficult, is the growth by value which is even larger as revenues recorded abroad grew by 16%, reaching 576 million euros, a sum which has only been exceeded three times in the past.

History of Burgundy wine exports by volume and by value

(source BIVB/Customs)

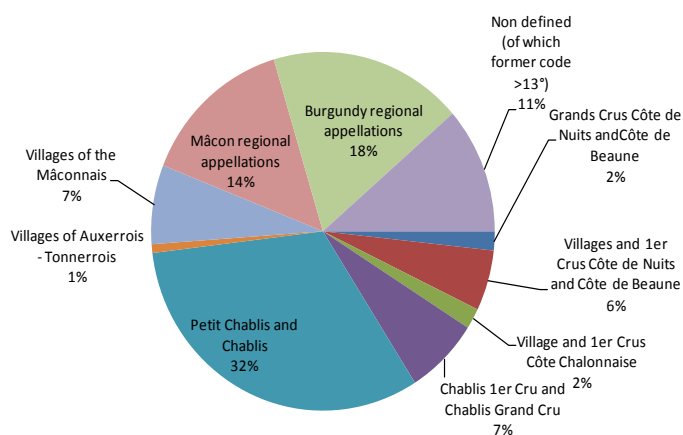


This recovery in exports is particularly driven by White wines, which are up 18% (particularly Chablis). Red wines saw a more moderate rise of 5.6%, but by value were up by 15%.

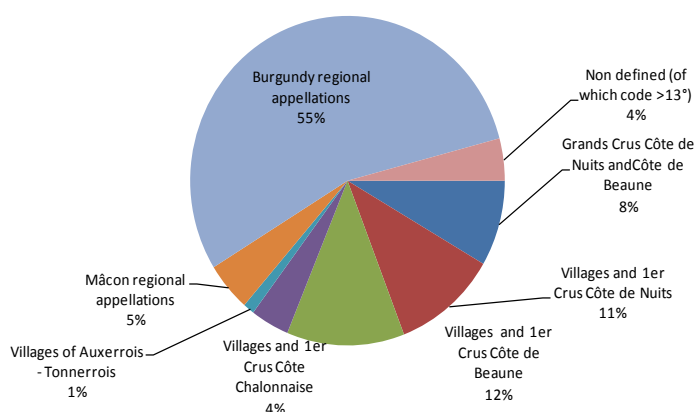
Exports of Burgundy wines by colour in 2010

Burgundy exports World	12 months 2010		12 months 2009		CHANGE % for 12 months 2010/2009	
	Volume (thousands of units)	value (€k)	Volume (thousands of units)	value (€k)	Change in volume	Change in value
TOTAL	89 204	575 911	78 568	496 555	13,5%	16,0%
Total white wines	63 501	336 967	53 756	286 127	18,1%	17,8%
Total red wines	21 686	223 340	20 535	194 131	5,6%	15,0%
Crémant de Bourgogne	4 017	15 604	4 276	16 297	-6,1%	-4,2%

Exports of Burgundy white wines in 2010 (by volume)



Exports of Burgundy red wines in 2010 (by volume)



This improvement is partly attributable to the fact that many countries have gradually emerged from the crisis, allowing for a recovery in consumption and store purchases, leading distributors to build up their stocks.

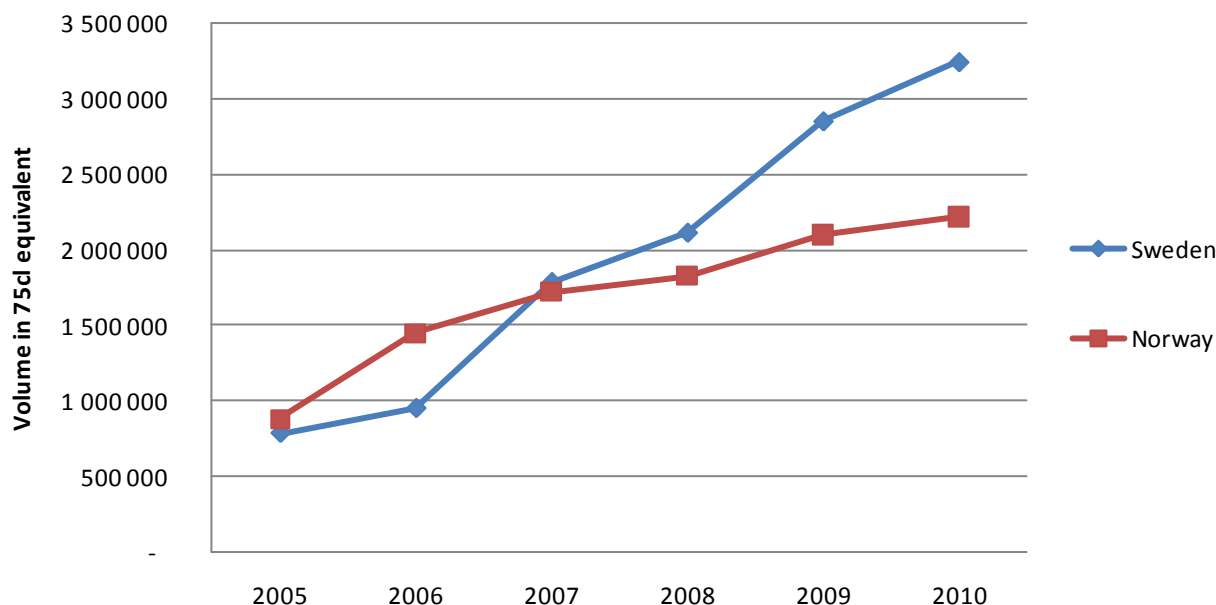
Another favourable factor is the positive impact of exchange rates. The growth in exports of Burgundy wines is mainly related to non-eurozone countries. The weakness of the euro for several months (May to September 2010) allowed buyers from these countries to restock at more attractive prices. Within the European Union, it is the countries which are not in the eurozone which contribute to the growth in exports of Burgundy wines, led by the UK, but also Scandinavia.

The majority of these countries have therefore moved back into the black, beginning by our two main markets, the UK and North America (USA and Canada), which accounted for a large part of the losses in 2009. Their imports of Burgundy wines recovered by over 20% in 2010; they are still, however, down 9% compared to 2008.

The traditional European markets (Germany, Belgium, Netherlands) are stagnating overall, as is consumption in general in these mature markets. Burgundy is absent from the discount channel, the driver of wine distribution, and faces competition from supplier countries with lower prices, such as Chile, particularly in periods of low purchasing power. But there are sources of growth to be exploited, particularly as consumers in Germany are moving up a range and the consumption of white wine is growing in Flanders. And Belgium has once more become one of the main markets integrated in the Burgundy Wine Board's (BIVB) export communication plan 2015.

In Europe, the growth of Burgundy wine exports is moving to the north east as far as Russia, which is showing clear signs of recovery (and a large share of wines imported in Russia come from third countries). Indeed, whether it be Sweden (+9% by volume), Denmark (+16%), Norway (no export statistics available) or even Finland (+7%), Scandinavia is increasingly falling in love with Burgundy wines.

Sales by volume of Burgundy wines (in 75cl equivalent)



Source: BIVB/Ubifrance/Vinmonopolet/systembolaget/Thewinetempter.no

Outside of Europe, the growth potential for Burgundy wines now seems to be strongly focused on the new Asian markets, including Australia: all these markets grew by 25% to 50% by volume in 2010. Japan has confirmed its position as Burgundy's 3rd client by value (+6%); it is more than ever one of Burgundy's most important partners. The spontaneous generosity of the Burgundy companies, after March 11 disaster, shows to what extent they are attached to this country.

The financial crisis has therefore pushed Burgundy to find new markets; this diversification will be important in the future.



Burgundy wine exports - 2010
(source: BIVB/Customs)

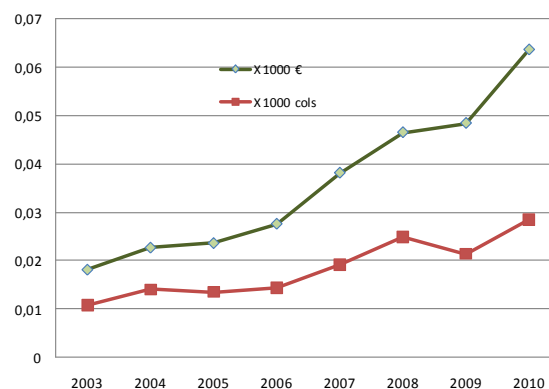
BURGUNDY EXPORTS (of which Crémant de Bourgogne)	12 MONTHS 2010		12 MONTHS 2009		% 12 MONTHS 10/09		Diff. (+/-) 12 MONTHS 2010/09	
	1000 bottles	1000 EUR	1000 bottles	1000 EUR	VOLUME	VALUE	1000 bottles	1000 EUR
World	89 204	575 911	78 568	496 554	+13,5%	+16,0%	10 637	79 357
EU	55 839	273 812	50 407	249 335	10,8%	9,8%	5 431	24 477
United Kingdom	24 220	119 854	20 060	103 715	+21%	+16%	4 160	16 139
Belgium	9 312	39 980	9 115	40 444	+2%	-1%	197	-464
Netherlands	5 828	25 409	5 944	26 433	-2%	-4%	-115	-1 024
Germany	5 367	25 136	5 664	26 126	-5%	-4%	-297	-990
Denmark	3 248	16 024	2 805	13 259	+16%	+21%	443	2 765
Sweden	3 216	14 029	2 952	12 637	+9%	+11%	265	1 392
Ireland	1 529	6 955	1 434	7 002	+7%	-1%	95	-47
Italy	603	5 896	496	5 099	+21%	+16%	107	797
Luxembourg	462	4 472	421	3 937	+10%	+14%	42	535
Finland	363	1 672	341	1 664	+7%	+1%	23	8
Austria	185	1 801	156	1 581	+19%	+14%	29	220
Spain	198	2 072	138	1 567	+43%	+32%	59	505
Latvia	232	1 655	224	1 398	+4%	+18%	8	257
Czech Republic	175	1 189	167	1 212	+5%	-2%	8	-23
Poland	208	928	158	825	+32%	+12%	50	103
Non EU countries	33 366	302 099	28 160	247 219	18,5%	22,2%	5 205	54 880
USA	12 387	105 595	10 154	85 600	+22%	+23%	2 233	19 995
Japan	7 698	70 772	7 433	66 603	+4%	+6%	266	4 169
Canada	4 855	30 577	4 062	23 716	+20%	+29%	793	6 861
Switzerland	1 936	25 718	1 870	21 578	+4%	+19%	66	4 140
Hong Kong	585	11 614	400	8 549	+46%	+36%	185	3 065
Australia	799	7 802	582	6 457	+37%	+21%	217	1 345
Singapore	335	6 797	254	3 959	+32%	+72%	81	2 838
South Korea	323	3 701	260	3 204	+24%	+16%	63	497
Brazil	446	3 698	359	3 000	+24%	+23%	87	698
Taiwan	211	5 659	111	2 746	+91%	+106%	100	2 913
China	696	4 825	433	2 733	+61%	+77%	262	2 092
United Arab Emirates	394	3 273	297	2 342	+33%	+40%	97	931

■ **Focus Asia: when the future combines with the present**

Between 2003 and 2008, the Asian markets considerably increased their purchases of Burgundy wines. Unfortunately, the international crisis put paid to this expansion, but only temporarily. Burgundy wine exports to these destinations rebounded as quickly as these countries emerged from the crisis.

The 2010 results have completely cancelled out the decline of 2009, recording a return to the pre-crisis levels, with new records on most markets, particularly by value.

Market share of the Asia region (excl. Japan) in Burgundy's total exports

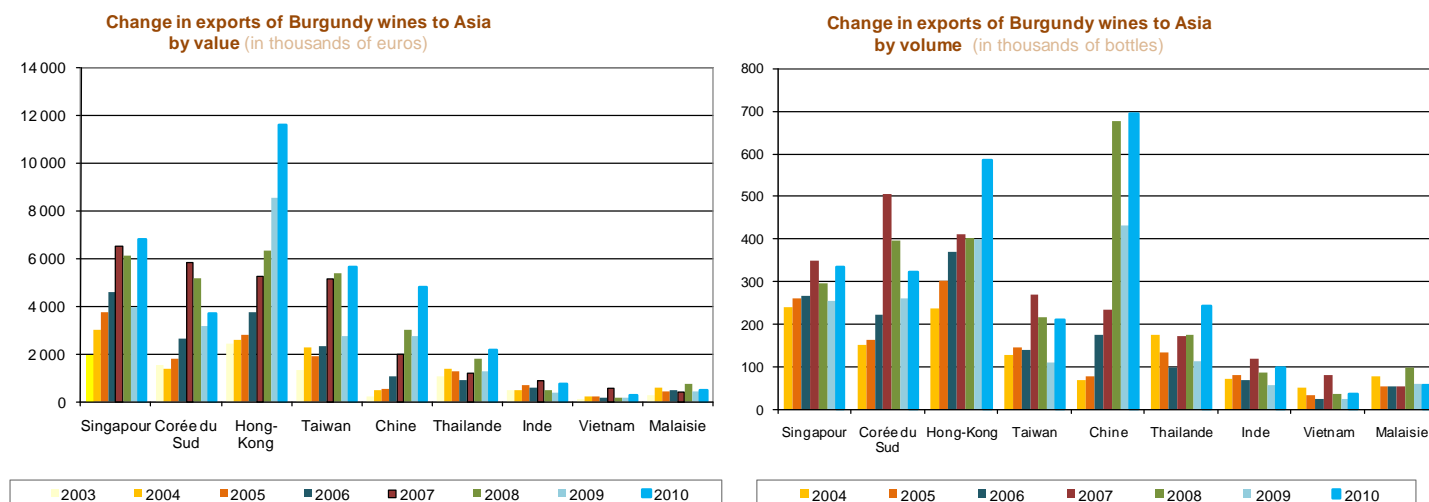


The Asian markets have spent two to three times more than they did five years ago: behind Hong Kong which bought 12 million euros worth of Burgundy wines, four markets (excluding Japan) spent between 4 and 7 million euros in 2010 (Singapore, South Korea, Taiwan and China).

The most noticeable growth is that of continental China. It imported few Burgundy wines in 2005 (70,000 bottles) and has multiplied this volume by 10 in the space of 5 years, becoming Asia's second market by volume behind Japan.

The market share of Asia (excluding Japan) in the revenues of Burgundy wine exports is constantly growing, reaching 6.5% (nearly 19% if we include Japan).

Hong Kong / China (Hong Kong imports some of the fine wines consumed in China) now represents Burgundy's 9th export market by value (16.5 million euros) with 1.3 million bottles (which explains the priority given to these markets in Burgundy's next communication plan).



■ Q1 2011 still firmly pointed upwards

After the recovery in Burgundy wine exports observed in 2010 (+13.5% by volume and +16% by value), ***the first quarter 2011 is following the same trend with an 11% rise by volume and an 8% rise by value***, compared to the same period in 2010.

This confirms a return to a normal volume of exports, around the average observed since 1995, with 91 million bottles exported over the last 12 months to end March, amounting to 586 million euros.

Burgundy red and white wines have grown consistently, recording a 13% rise by volume. Only Crémant de Bourgogne has posted a decline, for various reasons: the changes made to the declaration procedure with French customs have transferred some of this volume to a category known as "indeterminate sparkling wines".

Exports of Burgundy wines by colour, Q1 2011

	Q1 2011		Q1 2010		Change Q1 2011/2010	
	in 1000s of units	in €k	in 1000s of units	in €k	in 1000s of units	in €k
Total Burgundy	18 036	122 184	16 232	112 904	+11%	+8%
Total white wines	12 587	67 775	11 110	63 430	+13%	+7%
Total red wines	4 875	51 963	4 307	46 481	+13%	+12%
Crémant	574	2 445	815	2 993	-29%	-18%

The growth in exports at the beginning of this year is predominantly due to the North American market (USA and Canada, up 15% by volume) and to Asia (+14% in Japan; volume tripled in China).

The USA has even moved up to first position by value.

China/Hong Kong has moved up to 6th place, with 6.1 million euros in the first quarter 2011, twice as much as the same period last year.

The traditional neighbouring European markets seem to be struggling more.

Burgundy wine exports – 1st quarter 2011

(source: BIVB/Customs)

	Q1 2011		Q1 2010		Change Q1 2011/2010	
	in 1000s of units	in €k	in 1000s of units	in €k	in 1000s of units	in €k
World	18 036	122 184	16 232	112 904	+11%	+8%
United Kingdom	4 342	20 372	4 246	23 660	+2%	-14%
USA	2 880	24 286	2 480	20 819	+16%	+17%
Japan	1 913	17 050	1 680	14 451	+14%	+18%
Belgium	1 705	6 884	1 738	8 073	-2%	-15%
Canada	1 236	8 427	988	5 731	+25%	+47%
Netherlands	1 044	4 328	807	4 493	+29%	-4%
Germany	888	4 641	910	4 246	-2%	+9%
Sweden	620	2 614	587	2 585	+6%	+1%
Denmark	459	2 283	452	2 621	+2%	-13%
Switzerland	421	4 919	466	7 119	-10%	-31%
Ireland	287	1 182	217	1 147	+33%	+3%
China	213	1 311	69	521	+209%	+152%
Hong Kong	190	4 789	154	2 428	+23%	+97%
Norway	171	1 239	117	794	+47%	+56%
United Arab Emirates	118	1 164	107	841	+11%	+38%
Australia	114	1 136	113	1 252	+2%	-9%
Italy	98	1 128	79	1 631	+24%	-31%
Brazil	94	1 005	105	786	-10%	+28%
Russia	92	363	27	156	+239%	+133%
Singapore	80	2 328	73	1 194	+9%	+95%
Taiwan	74	1 805	12	346	+503%	+422%

In France, sales of Burgundy wines are stable

Between 2008 and 2010, the rise in unemployment, the stagnation in salaries, uncertainty about the future and the increase in outgoings affected household consumption. Luckily, the situation seems to be improving, slowly but gradually. However, the rise in prices still seems to be worrying the French people (*INSEE*).

French households, for example, no longer systematically look for the cheapest brand and are increasingly treating themselves. In 2010, hard discount brands lost clients and store brands lost market share (*source Kantar*).

The percentage of French households which bought wine increased in 2010; it is now 88.4%. But the same households buy less and less wine on average, with a loss in volume of around 3% per household per year. They favour more expensive wines (over 5 euros per bottle), whilst wines under 3 euros are regularly losing buyers.

The 2010 survey carried out by FranceAgriMer (conducted every five years) confirms the structural fall in wine consumption in France, but also its value. The decline can no longer be explained by the increase of non-consumers (38% in 2010 as in 2005), but by the fact that the French now mostly consume wine on an occasional basis (45% of respondents) and no longer regularly, i.e. every day or nearly every day (17% today, i.e. three times less than in 1980). The pleasure of drinking wine is now more linked to moments of hospitality: it is more likely to be present when guests are invited to dinner than during ordinary meals (63% of respondents versus 17%).

These changes are favourable to Burgundy wines (bought by 20% of French households - *source KANTAR*), which are always positioned as a reference in terms of festive wines, for occasions or as gifts. This new trend also explains why Burgundy is alone in maintaining its sales on the French market, with some 99 million bottles sold.

Another sign of an improving market – the French seem to have frequented restaurants more in 2010. The consumption of Burgundy wines outside the home also recovered after a very gloomy 2009.



This phenomenon is particularly visible in supermarkets and hypermarkets, where consumers no longer hesitate to go up a range, favouring quality over quantity. Bottles sold at under 3 euros (all origins combined) (70% of the total volume) have lost 1% by volume, whilst sales of wines at over 5 euros have grown by 5%. Burgundy's Village Appellations are gradually finding their place in this channel and this might explain why consumers bought fewer Burgundy wines from wine shops in 2009.

Another sign of an improving market – the French seem to have frequented restaurants more in 2010. The consumption of Burgundy wines outside the home also recovered after a very gloomy 2009.

Mass distribution: increase in sales and increase in value of Burgundy wines

Over the last 12 months available (March 2010 to end February 2011), French mass distribution again saw its overall sales of AOC/PDO still wines fall by 0.3% (*source IRI*), or the equivalent of 2 million fewer bottles in one year.

Despite this difficult context, **sales of Burgundy grew 1.8% by volume over this period** (still wines), representing half a million bottles (totalling 28.4 million euros).

It even improved the overall value of its wines by 2%: its revenues increased by 3.7% in one year, reaching 181.2 million euros. It is the more expensive AOCs/PDOs which have grown the most by volume in this network. The Village Appellations of the Côtes de Nuits and the Côtes de Beaune grew 6% for reds and 10% for whites, Pouilly-Fuissé increased by 17%, Chablis by 11% and the red Village appellations of the Côte Chalonnaise by 15%.

However, the entry-level Burgundy wines are down, such as Bourgogne Passe-tout-grains (-7%) and Bourgogne Grand Ordinaire (-4%).

Crémant de Bourgogne, which saw strong growth in sales prior to the crisis, has been stable (-1% by volume and +1% by value, with 5.8 million bottles).

Overall, over the last 12 months available (March 2010 to end February 2011), **Burgundy gained more than the loss recorded during the crisis in this channel**, with an overall volume of more than **34 million bottles sold** in supermarkets and hypermarkets (+1.3%) for 214 million euros in revenues (+3.2%).

Including sales in mini-markets, corner shops and discount shops, the volume of Burgundy wines sold in self-service shops is around 44.2 million bottles.

The new operation carried out on the Burgundy wine shelves by the Burgundy Wine Board since autumn 2010 underpinned end of year sales thanks to specialist advisors, specially selected and trained in Burgundy wines, who have advised consumers in the shops.

Burgundy also benefited from strong sales during the in-store wine fairs in autumn 2010. A study conducted by the BIVB revealed that almost a third of those buying wine during this period bought at least one bottle of Burgundy.

■ Restaurants: Burgundy wine sales recover after a gloomy year for the sector

Activity seems to have taken off gradually in 2010 for the restaurant sector, the main distribution network affected by the economic crisis. A considerable number of establishments closed in 2008 and 2009 as the reduction in VAT (excluding wine) was not sufficient to keep consumption in restaurants afloat at the peak of the crisis.

The survey carried out by Bourgogne Tourisme resulted in a positive review of the summer season 2010 for restaurateurs in Burgundy. The majority (52%) called it "a good year", compared to 37% who considered it "average" and only 11% "bad". 40% of restaurateurs observed seasonal activity to be on the rise and 39% noticed a return of foreign clients.

This note of optimism was strengthened by the results of the 2010 national survey carried out amongst French restaurateurs. It shows that **Burgundy has sold 19.5 million bottles on this network** (source CHD) and has thereby won back the volume lost in 2009.



Burgundy wines luckily remain a key choice as they were present amongst 90% of so-called "gastronomic" restaurants and 61% of "traditional" restaurants in 2010.

Burgundy is also counting on the development of sales of wine by the glass, particularly with "main course + wine" offers. The strengthened regulations on drink driving and the higher prices of wines on restaurant wine lists justify this enthusiasm. 89% of restaurateurs offer wine by the glass and nearly one in two recorded an increase in the volume of wines sold by the glass in 2010. Nevertheless, only a minority offer at least one Burgundy wine in this format.

The Burgundy Wine Board (BIVB) also supports this channel, particularly by implementing dedicated training courses at its Burgundy Wine School. These courses are predominantly followed by restaurateurs and wine waiters (150 per year).

■ Direct sales: the companies are increasingly active

This channel is characterised by selling directly to the individual without an intermediary. Every year it accounts for around 14% of sales of Burgundy wines, or around 28 million bottles (note that Burgundy sold 24 million bottles in the UK, its main export market, in 2010).

Although there were fewer clients coming to buy wines directly from the cellar due to the crisis in 2009, it seems that the situation has been recovering gradually since 2010.



Despite the gloomy economic situation in summer 2010 the clients were present. A survey carried out by Bourgogne Tourisme showed that 63% of tourism providers (all activities combined) deemed the 2010 tourist season "rather good" or even "very good" and 41% even called it "improving" (source: EUREMA). Some 80% of wine cellars questioned believed that the last summer season was one of the best. Although their opinions were mixed regarding foreign clients (32% thought business was up compared to 28% which believed it to be down), their views of French clients were much more clear-cut and positive ("up" for 40%, compared to 60% "at worst, stable").

The BIVB updated a study in 2010 on direct sales. The results confirm those of the 2006 survey but with notable improvements.

For sales at the cellar: although just as many open their doors to clients (96%), the conditions have been improved on two levels:

- ▶ fewer of them welcome clients by appointment only (30% compared to 36% in 2006, in the summer season, for example)
- ▶ more of them now open between 3 to 6 days a week (25% compared to 18% in 2006), 45% even stay open every day of the week.

This service is helped by the greater presence of paid employees, now found in 18% of estates (12% in 2006).

The customer base has also become less local: the percentage of foreign tourists has risen from 19% to 23%. And now 54.5% of the region's wine companies allow visits (48% in 2006).

The importance of the Paris region comes through, with 60% of respondents citing it as the main region of origin of French tourists, along with Belgium, mentioned by 80% of respondents as one of the two main homes of foreign tourists.

Alongside sales in the cellar, 61% of respondents carry out mail order sales (just under 50% in 2006). 8% carry out online selling through their own website (5% four years ago).

There is also a greater presence of Burgundy producers at trade fairs and exhibitions (60% compared to 54% in 2006), particularly at French fairs (35% compared to 30%) but also at international events (11% compared to 8%).

They are also now much keener to win customers by attending markets: 31% in 2010 compared to just 7% in 2006.

And direct sales look set to grow further still, with 73% stating that they would like to boost their turnover in this sector and 42% wishing to increase their online sales. Supporting the development of wine tourism is essential nowadays, as consumers are looking for proximity, local products and "Terroir".

■ Wine shops: the crisis has slowed growth in this channel

Despite the number of shops growing slightly in France (roughly 5,500 shops), the economic crisis ended the growth in this channel observed in 2008. 2009 was a difficult year for the sector. There was a 25% reduction in the average basket per client as consumers became more prudent in their spending. The crisis also affected the gift segment which benefits wine shops, particularly the segment which attracts works committees.

Burgundy was not spared. **7.2 million bottles were sold in this channel** in 2009, down by over 20% in one year. In France, 92% of cellars sell Burgundy wines.

If we match this situation with the growth in Burgundy's Village Appellations in supermarkets and hypermarkets, it is easy to imagine that consumers have transferred some of their purchases from wine shops to this channel.

With the recovery in consumption amongst French households, the results of the year 2010 should show improving results (*survey underway*).

Burgundy companies retain confidence in this channel and the BIVB continues to invest in it, particularly by training wine shop owners who want to improve their knowledge of Burgundy, to strengthen their role of advisor with their clients.



■ Key figures from the Burgundy region *(Source: French customs/ IRI/ BIVB/DRAF)*

October 2010

■ Average production

1.5 million d'hectolitres	of which	<ul style="list-style-type: none"> ▶ 60 % white wines ▶ 32 % red wines (and rosé) ▶ 8 % Crémant de Bourgogne
	and	<ul style="list-style-type: none"> ▶ 1.5% of Grand Cru Appellations ▶ 47.5 % Village Appellations and Premiers Crus ▶ 51.0 % Regional Appellations
	i.e.	<ul style="list-style-type: none"> ▶ 6.6 % of the production of French VQPRD ▶ 3.3 % of the production of wine in France ▶ 0.5 % of the world's wine production

27,700 hectares in production (3% of the French wine-growing region)

2 main grape varieties:

- ▶ Chardonnay (46 % of grape variety): is used in the production of nearly all white wines)
- ▶ Pinot Noir (36 % grape variety): is used in the production of nearly all red wines)

Other varieties: Aligoté (white, 6%), Gamay (red, for Bourgogne Passe-tout-grain and Mâcon, 11%), Sauvignon and César (1%)

100 different appellations	of which	<ul style="list-style-type: none"> ▶ 33 Grands Crus ▶ 44 Villages and Premiers Crus ▶ 23 Regional
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■ Companies

3 800 Winegrowing estates (of which 1.300 include bottling and sell over 10,000 units)

250 Wine merchants

23 Cooperative cellars

■ Market

190 bottles marketed

- ▶ 48 % are exported

1 billion euros in revenues (estimated)

Burgundy accounts for: Burgundy represent:

- ▶ 3 % of worldwide wine exchanges, in terms of value
- ▶ 18,5 % of revenues of French still VQPRD exported in 2010 (for 6.5% of the production)

■ Regional weight

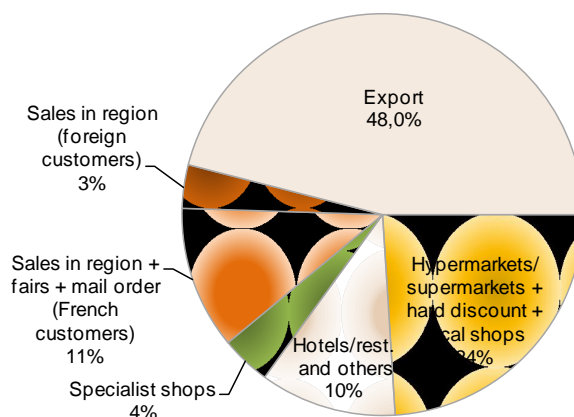
2 % of the agricultural land exploited in Burgundy

3 % of Burgundy's GDP

20 000 direct jobs

100 000 indirect jobs: glass-making, barrel-making etc.

Breakdown of sales of Burgundy wines
(march 2011)



Source : BIVB/Douanes/IRI/CHD/Equinox