

# „Win win or no deal!“



## THE CHINA MEMO



### AN EXCITING TXB / LAURENZ V. MISSION

Now, everybody talks and goes China – quite rightly so! There is no wine market booming like China (15 – 20% per year since the early nineties) and already being the 6<sup>th</sup> largest wine producer in the world, soon overtaking Argentina to become the 5<sup>th</sup> largest. Prominent journalists like Jancis Robinson, Johnny Ray, Stuart Pigott, Wine Spectator, travelling and writing frequently on the developments of this emerging wine super power, are giving living proof, that big changes are under way in China, Asia.



LMM and the future Ningxia Changyu Chateau Modern trellising organic vineyard

... 5 years ago TxB and Laurenz V. decided “to go China”! The goal was to import premium wine FROM China to all of Europe and to export our wines TO China. We did figure that China being a red wine loving / producing country will be hit by the white wine boom one day as well. Together with ever growing consumption this means enormous demand ahead. The most important topic in dealing with China and its people is to understand the culture. We were lucky enough to know a Chinese gentleman, Mr. Yu, who did travel 14 times together with us to find Changyu pioneer winery, Yantai, on our first visit. Yet it took us 5 full years to come to a meaningful contract situation – already being executed.

### A. IMPORTING A PREMIUM ORGANIC RED FROM CHINA

It will be from an indigenous grape, Cabernet Gernischt (Cabernet Sauvignon x Cabernet Franc), elevated at 1.100 m altitude in the yellow river region of Yinchuan. The main aim was to reduce the yield per hectare to 9.000 kg in order to get the perfect fruit being processed in the hypermodern local pressing and fermentation center. Changyu is the leading force in the Chinese wine industry with a sustained growth rate of 20% over the last 10 years. The first shipments of this wine will take place in May 2011. We shall be offering a superb, authentic, 100% Chinese juicy and spicy red in a sensational price quality ratio – unrivaled from China.



LMM and Mr. Sun sign the contract

LMM & his „older brother“ Mr. Cai



Cabernet Gernischt, China's indigenous grape Loamy, sandy soil with lots of humus

Well, the importing strategy for the 2010 vintage, to be shipped in May 2011 is very simple and twofold:

- ★ We shall be appointing exclusive importing partners geared towards the qualified off trade – meaning only ONE retailing partner per country will get the exclusive importing rights in the first year – we only have 300.000 bottles in year one.
- ★ We also will have one wine – one exclusive label – available for on trade distribution.

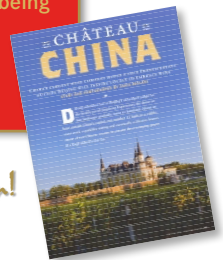


Dieter who inspects the organic vineyards with Mr. Yu, Mr. Song and David

We shall be in touch with all interested and potential partner in the near future to discuss 2011 options for this:

- ★ **TRULY UNIQUE PROJECT**  
(quality, value – quality ratio, organic and authentic Chinese red)
- ★ **TRULY UNBEATABLE FROM CHINA**  
– no competition from China for the time being
- ★ **TRULY EXCITING PROJECT**  
together with THE Chinese force in wine – see the attached wine spectator story

Check out the latest wine spectator story >  
*click on!*



### B. EXPORTING LAURENZ V. GRUNERS TO CHINA

China being a major world player already, it still needs to import to fulfill the exponential growth in wine consumption (presently being 1/3 of a liter per capita). Especially the whites are in short supply as the white grape acreage in China is well below 10%. 2.000 Changyu sales people will help to distribute gruners in all 30 Chinese provinces (the first shipments on the water already).

