

FEATURE

CRAFT AGAINST INDUSTRY



ARMAGNAC IS ONE OF THE PREMIER BRANDIES OF THE WORLD YET IT REMAINS RELATIVELY SMALL SCALE AND QUIETLY SPOKEN. **CHRISTIAN DAVIS** REPORTS FROM GASCONY

Armagnac is an Aston Martin, not a Porsche, according to a producer. If ever the word ‘craft’ was appropriate in spirits, it would be for Gascony’s finest. Yet there are stirrings in this part of south west France – some are content to be small and beautiful, but there is a new generation and some are taking their eaux-de-vie down the cask-finish route. Not everyone agrees.

The Bureau National Interprofessionnel de l’Armagnac’s (BNIA) director and head of communications, Olivier Goujon, says on the subject of cask finishes: “They are not allowed. We do not want a complete ban. They can make them, but it is not armagnac. Armagnac does not want to miss the boat, but the view is that cask finishes are ‘just a trend.’” (See panel.)

Château de Laubade proprietor Denis Lesgourgues counters: “Innovation, while respecting tradition. If we do not innovate, we will die. The Scots and the Irish are able to innovate.”



Olivier Goujon

If the INAO, BNIC and BNIA all agree that finishes are banned for their respective brandies, Lesgourgues is happy to drop ‘armagnac’ from his labels. He sees the ruling as an “obstacle to innovation”.

But Armagnac Delord owner Jérôme Delord is vehemently against cask finishes. He says: “We are not a fashion product. We are the real thing. It is not necessary to increase sales.” Delord points to armagnac’s established strengths: the vineyards/terroir, grape varieties and methods of distillation, which set the Gascony brandy apart from its major rival, cognac.

Asked about personal changes over the past couple of years, Delord quips: “Nothing.” He then goes on to talk about his Création No.10 – a blend of 1988, ’90 and ’93 vintages, 44.9% abv – and a 100% Colombard, double

AOC ARMAGNAC AREAS

■ Bas Armagnac accounts for 67% of production

■ Armagnac Tenarèze – 32%

■ Haut Armagnac – 1%

(Source BNIA)

ARMAGNAC IS A NICHE PRODUCT, OF COURSE, BUT ABOVE ALL A HIGHLY ARTISANAL PRODUCT, AND IT HAS ALWAYS BEEN



ISTOCK.COM / MATHILDE AUBERT



distilled, white armagnac, stressing “not innovation, evolution.”

Domaine Laguille has also developed an armagnac finished in peated whisky casks. It sold out. Sales manager Sandra Lemarechal is almost sheepish about its success. She says: “We are a small house (64ha) but we can be innovative. We are very traditional but we have to be open to the world.” She is not unduly worried about the cask finish regulations. She intends to do something similar again and it will comply by stating that the spirit “comes from Armagnac”, rather than saying it is an armagnac.

Lesgourgues puts things into perspective. He says: “Its niche position is real when considering the size of armagnac among the brandy families, and compared to its cousin, cognac. This is a strength but also quite challenging.”

Lemarechal says: “Armagnac is not an industrial product. It is a niche product, of course, but above all a highly artisanal product, and it has always been. Armagnac must assert its place as a leading craft spirit.

“The artisanal dimension of armagnac makes it a product with multiple facets. Each man or woman who produces it, in this region with such marked terroirs, imprints their own

identity on a spirit that is already strong in character by nature. Armagnac is – or rather armagnacs are – craft, par excellence.”

Unfortunately, armagnac’s big players – the Spirit France group with Janneau and Pernod Ricard with Marquis de Montesquiou – appear not to be doing much with their brands, which is to the detriment of the category overall. There have been unsubstantiated rumours that Spirit’s calvados brands are not doing well. As for Pernod, well, Martell takes the biscuit, as they say.

Past president of the BNIA Marc Darroze is a commanding figure in the region. He says: “We do not have a big group that has decided to promote and increase the market for armagnac. As a private company it is difficult to invest in storing, maturing and blending.”

Armagnac Darroze does not own any vineyards and does not do any distilling. The family came to the spirit via the restaurant trade. Darroze’s father started to buy in armagnac and sell on to other restaurants. The family gained a reputation for selection and the

current incumbent has continued that tradition and philosophy. It buys from around 30 estates in Bas Armagnac and produces seven blends – 8, 12, 20, 30, 40, 50 and 60 years old and a range of organic armagnacs.

Darroze adds: “There are so many aspects. It is the dilemma. We have the capacity but we want more volume than we are doing.

“People say: ‘Wow, great value for the quality and the age, compared to scotch, rum, whatever.’ But it is difficult to move to the next step,” Darroze says.

Domaine Tariquet is probably armagnac’s next big player. With 1,125ha and 100ha dedicated to armagnac, approximately 30 dedicated to Folle Blanche alone and around 24 years’ of stock, it is almost down to Tariquet to lead the charge for armagnac.

Tariquet commercial director Ithier Bouchard says: “We produce more than we sell. In a good year we produce more and grow stock. We have invested in our distilling room and we bought a second alembic [still]. We hope to have 26-27 years’ stock in the



Sandra Lemarechal

ARMAGNAC BY NUMBERS

733
winegrowers

682
active
producers and
164
active negociants

6
cooperatives

5,328
hectares of
vineyards
identified for
the production
of armagnac

2,420
hectares of
vineyards
currently being
used

10,616HL
of pure alcohol
produced during
the distillation
2018/19

1.4
million bottles
sold in France

1.6
million bottles
on export
markets

(Source: Bureau
National
Interprofessionnel
de l’Armagnac :
2018/19)

ARMAGNAC GRAPE VARIETIES USED

(10 permitted in the AOC)

55%
Ugni Blanc

35%
Baco (specific to
Armagnac)

5%
Folle Blanche

5%
Colombard

0.4%
for the older
varieties
(Source BNIA)

future.” Tariquet is very much about freshness and a lighter style, with a light toasting of the barrels and no caramel for colouring.

CHALLENGES AND OPPORTUNITIES

Asked about challenges, opportunities and craft, Bouchard says: “Armagnac is not about market share or per capita [consumption]. We have the network and right partners (UK retailer, Waitrose for 30 years). They know how to promote it and talk about it.

“Armagnac is craft. It is not about marketing, it is everyday life. I think the word is overplayed,” adds Bouchard. “Armagnac does not need to be a trend. It is not big enough to be a trend. We have to take things step by step. We do not have to invent something. Our strongest link is to the grapes and the wine. People think armagnac is old and dusty but we are small producers. Armagnac is about quality. We are an Aston Martin, not a Porsche.”

Château Arton is one of the few houses in Haut Armagnac. Arton founder Patrick de Montal says: “Craft against industry.” And opportunities? “Its uniqueness and rarity. The stated apparent weakness of armagnac is its strength.”

Lesgourgues says: “The challenge, sometimes, for a house and brand such as Laubade is to explain why our armagnacs, multi-vintages or single vintages, can be as much as twice more expensive than another armagnac brand. Unfortunately, too many armagnac producers decided to put price as their first priority and quality as second.”

“Maybe the number one is the thirst for millennials and X, Y generations for high-quality and ethical spirits. At Laubade, our carbon print is negative thanks to the 20ha of French oak trees forest my father planted 25 years ago.

Marc Darroze



“Second, armagnac is owned by independent and family-owned organisations: the consumer today prefers to experience and support human-based products rather than spirits made in large scale by big corporations,” Lesgourgues says.

Lemarechal says: “The biggest challenge is to make armagnac known and recognised with limited resources, both financial (marketing) and human (salesforce). Armagnac is a bundle of small businesses – it is its strength but also its weakness.

“The current trend for artisanal spirits and, even more widely products made on a small scale, with a strong link to the terroir,” says Lemarechal.

She continues: “The US: they like

TOP MARKETS BY VOLUME:

15%
Russia

11%
US

10%
UK

9%
China

8%
Spain

TOP MARKETS BY VALUE

14%
China

14%
Russia

13%
US

8%
UK

6%
Germany

craft spirits, small scale. China: different culture and different market – looking for a French touch and rarities (vintages). Russia: two different markets in the same country, one for entry-level, VS, and one for vintages – a strong culture for corporate gifts). Armagnac’s first market remains the local, French, one, with a huge whisky market and a booming rum category. This is probably the most challenging market for our traditional and less innovative AOC appellations.”

INNOVATION AND THE COCKTAIL SECTOR

De Montal says: “We were the first to introduce white armagnac: Château Arton Fine Blanche was registered in 1987 and is recognised now as a great base to any cocktail, especially among US bartenders.”

Lesgourgues says: “Mixology is a positive trend, having started in the US, gained Europe 10 years ago, and is now reaching the south east Asian markets. This is fantastic, as armagnac is a great spirit to mix.”

Lemarechal says: “We try to develop this segment, but elite bartenders are also sensitive to incentives and marketing means that are difficult for us to engage, and competitions set up by spirits brands, travels, etc.”

Dartigalongue owner Benoit Hillion is another producer who has broken ranks by producing armagnacs which are made for mixing with cocktails and have modern labels designed to be attractive to bartenders.

CASK FINISHES

THE BNIA'S OFFICIAL LINE

“Following the evolution of the practice and labelling of finishing on the spirits market, the INAO asked the French AOCs for spirits to position themselves on their wish to request or not the integration of this practice in the bill of specifications and thus ‘to supervise this practice and its claim within the AOC’.

“An in-depth and joint reflection was carried out by the representatives of the ODG (Organisme de Défense et de Gestion, a collective organisation responsible for the defence and management of a product under official identification and quality and between the different wine/spirit appellations) and the Armagnac Interprofession, which led to the overwhelming majority decision to not request the integration of finishing into the bill of specifications of the appellation and thus not allow the claim of this practice. All armagnac operators should therefore specify a statement such as ‘armagnac-based spirit drink’ if they wish to carry out this technique.”

(Source: Bureau National Interprofessionnel de l’Armagnac)



singularity, utmost excellence. Also, the barrel ageing process is so key for armagnac considering the long ageing that we give to our armagnacs. Convinced that maturation and finishing are a source of innovation while respecting the tradition, Laubade has engaged in some experimental releases: Les Curiosités (the Curiosities) are a limited, numbered series of three armagnacs that are part of its commitment to innovation: rare grape, double maturation, finishing in specific barrels, etc.”

Armagnac claims to be the oldest spirit from Europe, but the feeling in some quarters is that it needs to reinvent itself if it wants to stay in the major league of premium spirits categories. Some say armagnac needs to play with the same tools – barrels is one the very crucial weapons.

Lesgourgues states: “We are deep in an ocean of brown spirits. The quality of armagnac must continue to improve. Innovation will be key, along with quality and value. An armagnac XO is €30-€40, whereas a cognac XO is €150.”

Lemarechal says: “Armagnac must remain what it has been for the past 700 years and so, while adapting to the demands of the market, in terms of marketing, product innovation and even commercial impetus. Armagnac is a craft product which can – and should – have its place today in a world market which seeks exactly this. But to do so, armagnac has to assert itself as such, and find ways to gain a voice in a very costly category from a marketing point of view.”

De Montal says: “Stay as we are in our diversity: 800 growers, large and performing co-ops, negotiators with known brands, château and domaine owners like us attached and tied to grow the best wines for the best armagnacs and three appellation areas: Haut Armagnac, Ténarèze and Bas Armagnac. The whole in a very special and unique part of France.”

Asked how he sees the future for Armagnac, Darroze disarmingly says: “I do not really know. I believe that we have a future, but who, how much, I have no idea.

“I do not have the financial pressure to sell millions of bottles of armagnac. The countryside is loaded with cereal and wine. I can double capacity to produce quality armagnac. So, there are lots of positive aspects. Therefore I am positive and optimistic.”

If ever there was a small, truly craft player, it is Domaine D’Espérance. Owner Claire de Montesquiou – former owner of the Marquis de Montesquiou brand – describes her operation as “tiny”, concentrating on producing “pure, clean spirit, no additives just the quality of the juice and the cask”.

Dartigalongue’s Benoît Hillion with his Dry Cellar and Unoaked armagnac to appeal to bartenders

SUMMARY

Lesgourgues says: “We need to continue to invest in quality,



DOMESTIC/FRANCE

French brandy is the European market leader by far with the equivalent of 110m bottles sold per year, 99% of which are exported.

(Source: Federation of French Brandy)

- 80% of armagnac volume is through 12 main houses
- Five houses achieve 71% of the total bottles sold
- More than half the armagnac sales are for younger spirits

ARMAGNAC EXPORTS

- France 45% and 55% export – exports progressing
- 80% of the volume is through 14 main houses
- The five first houses achieve 52% of the total bottles sold
- 34% of armagnac sales are for five to 10-year-old armagnac blends
- Vintage sales are progressing with 19% as opposed to 16% in the previous year

TOP ARMAGNAC HOUSES THAT SELL 52% ARMAGNAC BOTTLES ON EXPORT MARKETS

- Delord Frères
- Le Club des Marques
- Janneau
- Société des Produits d’Armagnac
- Château du Tariquet

THE 13 HOUSES THAT MAKE UP 80% OF THE ARMAGNAC EXPORT MARKETS

- Delord
- Le Club des Marques
- Janneau
- Société des Produits d’Armagnac
- Château du Tariquet
- Marquis de Caussade
- Papelorey (Larressingle Armagnac)
- Armagnac Ducastaing
- Château de Laubade
- Dartigalongue
- Gelas
- Guy l’Heraud
- Les Hauts de Montrouge