Drinks

It Might Be Time for Turkish Wine

A cheap lira could help build international sales of varietals from the land where it all began.

By Ross Kenneth Urken 1 Şubat 2019 11:00 GMT+3

As the Bible tells it, Noah pioneered winemaking when his ark landed on Mount Ararat, in the far east of modern-day Turkey. After the deluge was over, he is said to have planted a vineyard.

Despite the region's rich oenological history, Mehmed II's capture of Constantinople in 1453 created a nation averse to alcohol, though some Orthodox Christians managed to keep the vine alive. After World War I, Mustafa Kemal Ataturk established a secular country and chose to encourage viticulture by opening the country's first commercial winery. In the 1930s, he even promoted a vine-growing campaign.

Today, Turkey has the fifth-largest vineyard acreage in the world, with a loam conducive to delicious varietals. It also ranks sixth globally in grape production. But its winemaking industry comes in at a lowly 45th, just ahead of Belarus, Cuba, and India, according to the Wine Institute.

In recent years, things have gotten worse for Turkish vintners. President Recep Tayyip Erdogan placed tough restrictions on domestic alcohol marketing, saying in 2013 that the "youth of a nation should be protected from bad habits" and shouldn't be "wandering around in a merry state day and night." Higher taxes, domestic instability, and the war in

Syria have conspired to depress foreign tourism, a big source of wine sales.

But a key villain in Turkey's tale of woe, the lira, may turn out to be a friend to the embattled wine industry. Some wine experts contend the currency's almost 40 percent drop against the U.S. dollar over the past year has finally made exporting Turkish wine a viable option.



Workers harvest grapes in the late summer heat on the Gallipoli peninsula in northwest Turkey. *Photographer: Ozan Kose/AFP via Getty Images*

Right now, Turkey's total wine exports are modest—about \$10 million annually (compared with \$10 billion for France). In the past, its wines have been a tough sell internationally, with names that are largely unrecognizable. Wines of Turkey, an organization focused on developing markets for wine exports, is working to change that. In particular, the group seeks to popularize Kalecik karası, a medium-bodied, fruity red grape akin to pinot noir that's grown mostly in the Ankara region; okuzgozu (which means "bullseye"), made from the juicy black grapes grown mostly in Elazığ; and bogazkere (meaning "throat-burner" in Turkish), a tannic red from Diyarbakir.

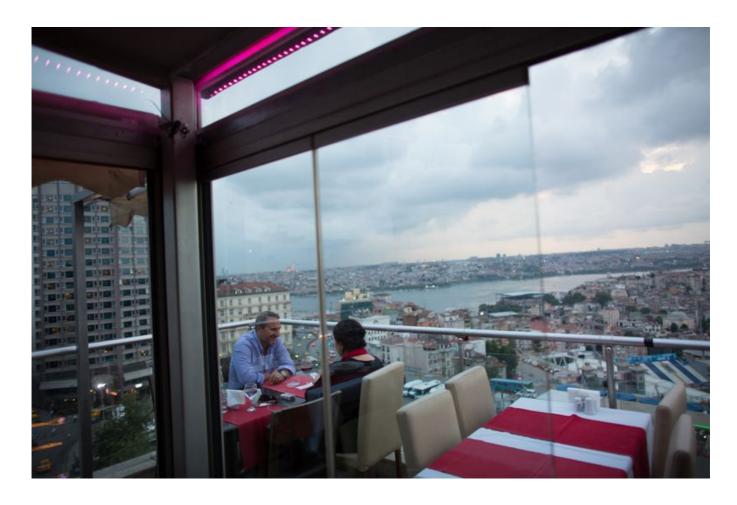
"It basically opens up a new chapter for many producers to focus on export markets—to be able to make up for their losses," said Turgut Tokgoz, head of Oenotrian Wine Advisory in Istanbul.

That's been the case for Ardic Gursel, head of Vinkara, one of Turkey's more prominent wine

producers, with a capacity of 1 million bottles a year. She said that, since the marketing restrictions in 2013, Vinkara has increased distribution abroad more than threefold, from 13,000 liters to 46,000 liters. The U.K., Germany, and Australia are Gursel's biggest markets, commanding 20 percent of her total revenue.

While Turkish wine producers try to increase their footprint globally, Turkish Airlines, which flies to 120 countries, is doing its part to spread the word. It serves an array of Turkish wines—such as the white narince from Kavaklidere, a winery that uses grapes from Cappadocia—and its "Flying Chefs" program for business-class passengers helps with education and wine pairings.

Having a few high-profile Turkish wine disciples doesn't hurt, either. Celebrated chef José Andrés, who runs Zaytinya, a Mediterranean restaurant in Washington, opened a second location last year in Frisco, Texas, that also serves a wide selection.



Customers drink wine at a rooftop restaurant overlooking Istanbul. Turk law forbids the sale of alcohol at night or near schools and mosques. *Photographer: Lam Yik Fei/Bloomberg*

But not everyone is so optimistic. Turkey's wine producers are still struggling, said Christy Canterbury, a <u>master of wine</u> and former corporate beverage director for restaurateur Jean-Georges Vongerichten. It doesn't help that corks and paper for labels are billed in euros.

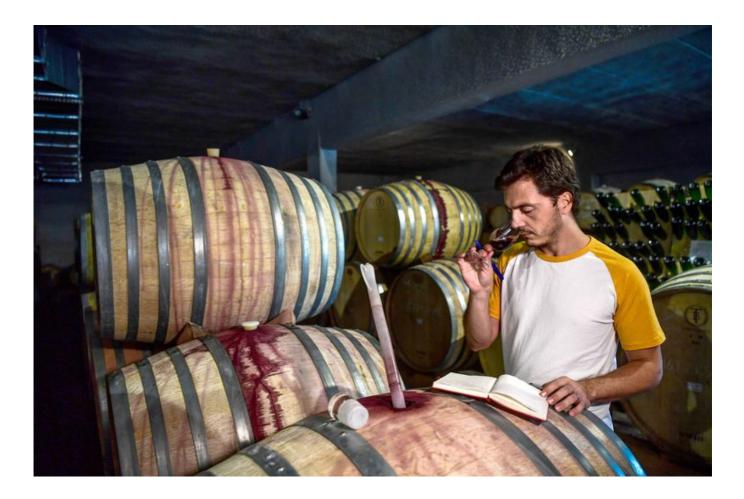
"The wine business is notoriously high investment and low margin," she said. "Squeezed

producers are now anxious about small purchases—even bottles—not to mention big ones like tractors and grape presses." Plus, Turkish wine producers were recently slapped with higher levies on every bottle they sell domestically.

Some contend it still makes more sense to sell wine locally. Alp Toruner, founder of Buyulubag Winery & Vineyards on Avsa Island in the Marmara Sea, said profits on exports are still lower than domestic sales. Of the 150,000 bottles he produces annually, he exports 10,000, he said. While that's triple what he sold in 2013, it's still a fraction of his total output.

While he concedes the importance of capturing foreign markets, Alp said he still has to sell more bottles abroad to make the same money he would at home. Turkish wine experts put per-bottle export profits at 30 percent to 35 percent lower than sales at home.

Seyit Karagözoğlu is the founder of Pasaeli, a winery based in Kemalpasa, about 280 miles southwest of Istanbul. He said producers face another problem selling their wares abroad: Their more expensive, high-end wines don't move. "Turkish wines don't yet fetch high prices like many Bordeaux Châteaux wines and Super Tuscans," he said.



Winemaker Hikmet Ataman tests wine at Suvla wine in Canakkale in 2017. *Photographer: Ozan Kose/AFP via Getty Images*

Tunc Doker, a New York-based Turkish national and president of wine importer Turquoise Life, contends that while Turkish wine producers are saddled with extra costs, their bottles are still affordable abroad. "The devaluation of the Turkish lira will more or less make up for the high alcohol taxes incurred on producers," he said.

For Turkish wine to expand beyond being a niche choice, Canterbury said it's critical that importers not relegate it to Turkish restaurants. "Turkish wines should be sold in the best restaurants of all the great cities," she said. One place they could do well is in America, said Andy Myers, wine director for Andrés's ThinkFoodGroup.

"They have exotic, ancient varietals unfamiliar to the U.S. audience, and the reds are particularly interesting," Myers said. "Sevelin, Turasan and Diren wineries are making the wines that have moved me the most. They lean a bit toward international styles, with a bit more fruit, alcohol, and extraction."

The quality of Turkish wine can vary wildly, but Lewis Perdue, publisher of the popular *Wine Industry Insight* newsletter, said the best varietals are improving.

"I have enjoyed a number of Turkish wines which strike my palate as similar, high-quality Rhône wines," he said.

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