

WINESTATE

AUSTRALIA & NEW ZEALAND WINE BUYING GUIDE

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THE WEST**
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merlot

The Bordeaux blender

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Wine Adventure

SUSHI
meets Shiraz

Sweet Talk
wines dirty
little secret

**BATTLING THE KIWI
'SAVALANCHE'**

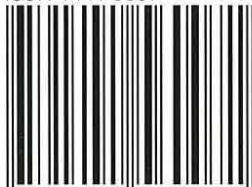
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WINESTATE
WINESTATE IS AUSTRALIA'S OLDEST WINE PUBLICATION.

A WORLD OF WINE - ONLINE

It would be a great party trick to say, "I have my Latour stored in London, my Romanee Conti stored in Hong Kong and my Grange stored in Sydney." But you can do just that by subscribing to Cellar Link, a full wine investment service provider.

This is no throwaway line for indulgent wine snobs, but a very serious online subscription-based portal that manages wine investors' cellars from 'cradle to grave'.

A relative newcomer to the wine investment scene, Cellar Link began operations in 2008, after the management buyout of Australian Portfolio Wines. With a new \$1 million wine management portal the company took over the 2000 existing members and offered them a revolutionary new plan to safeguard and enhance the value of their cellars.

Company director Eamonn Egan explains that the wine investment market is not necessarily a panacea for never-ending growth and profits. "One of the biggest issues that the investment companies in Australia faced was that they never dealt with the liquidation of stock," he says. "When it was all bling to have Duck Muck and Astralis and other fashionable wines and you could get more for them in five minutes at auction than you paid for them, that was fine. But where is your exit strategy when it becomes all about volumes and commissions and stocking wines that have not sold through the retail trade?"

To satisfy his clients, Eamonn developed a global multi-currency trading system whereby his client's stocks could be held in storage in any of the three main wine hubs of London, Sydney or Hong Kong (with San Francisco to come). "We don't manage the storage facilities, but we manage the people who do that, but at a much higher level of authentication than most other organisations," he says. Then, through the company's wine management portal, clients can track their wines via city of storage, barcode, bay number, product code, full wine description, tax status,



ageing potential and current highs and lows investment value. "The vision is to create a fluid, transparent, auditable, trading environment for wine," Eamonn adds.

Like an 'e-broker', the company then gives advice on alternatives to sell the wine, either to wholesalers, by auction or direct to retail, each with a different commission structure. An automated algorithm within the management portal gives information on when to buy, sell, or hold. "It's a business. We control it, we track it, we sell it," says Eamonn. "We don't own the brands, but we need to brand-build in a parallel environment.

"If you are a wine investor, why buy Grange in London and ship it back to Australia. It's cheaper to keep it in bond in a temperature-controlled warehouse in London which we monitor. Without moving the wine it can be listed on the internet without further cost."



■ www.cellarlink.com.au