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Champagne Harvest Cut by 12% to Combat Overstock

Champagne Producers Slash Grape Yields Amidst Sales Slump

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In a strategic move to align supply with anticipated market conditions, Champagne producers and viticulturists have agreed to limit the quantity of grapes destined for sparkling wine production in this year's harvest. This decision aims to ensure that the production for 2024 does not exceed 290 million bottles, marking one of the lowest levels seen this century. On July 19, during a meeting between the co-presidents of the Comité Champagne – David Chatillon, representing the houses, and Maxime Toubart,

leader of the viticulturists – it was decided that the yield limit for the 2024 harvest would be set at 10,000 kg/ha. This represents a reduction of more than 12% compared to last year's yield limit of 11,400 kg/ha, and nearly 17% less than the 2022 limit of 12,000 kg/ha.

The Champagne appellation encompasses approximately 34,300 hectares, and it takes about 1.2 kg of grapes to produce a single bottle of this esteemed French wine. With a yield limit of 10,000 kg/ha, the expected production is slightly over 285.8 million bottles, roughly 13 million fewer than the total shipped in 2023, which was 299 million bottles.

Notably, the 10,000 kg/ha represents the 'available' or 'commercializable' yield, which is the maximum amount that can be turned into wine for sale from this harvest. If natural yield exceeds this amount, viticulturists may be able to harvest the surplus to store in a wine reserve, which can be utilized to assist Champenois in case of future grape shortages.

The decision to impose such a low limit stems from several factors. Champagne currently has high stock levels, with the equivalent of around four years of sales in producers' cellars, whereas the ideal is three years. Additionally, shipments have declined by more than 15% in the first half of 2024 compared to the same period in 2023. Geopolitical issues and high Champagne prices make a significant increase in sales volume unlikely in the near future, unlike the post-pandemic boom when shipments reached 326 million bottles in 2022.

Comité Champagne data shows that shipments in the first half of this year are 106.7 million bottles, 15.2% less compared to the same period in 2023. However, the first half of 2023 was a strong period for Champagne shipments, with commercial demand falling significantly in the second half of the year, bringing the end-of-year figure to just below 300 million for the region.

Current natural conditions in the region are not conducive to harvesting large quantities of grapes. An exceptionally rainy growing season has resulted in the entire vineyard experiencing significant but controlled mildew pressure. Spring frosts and hail have had a moderate impact on harvest potential, estimated at around 10%, while vine

development is about 5 to 6 days behind the ten-year average, with the harvest scheduled to begin around September.

Vincent Chaperon, cellar master of the prestigious cuvée Dom Pérignon, has highlighted that unfavorable conditions during flowering and fruit set, coupled with mildew due to warm and humid conditions in Champagne this year, have led to an estimated average production for 2024 between 8,000 and 9,000 kg/ha, though with significant variation, particularly in the southern Aube region. In some areas, yields as low as 2,000 kg/ha are expected.

Chaperon remains optimistic, suggesting that a low-yield harvest could be of high quality. He notes that if the sun begins to shine, it could be a very qualitative year, as moderate yields in Champagne are beneficial for quality. He also mentions that the region has already seen sufficient rainfall for the year, with about 500 mm in the past two months. Additionally, he points out that water cycles are becoming increasingly extreme, with long periods of drought followed by intense rains.

In summary, the decision to limit Champagne harvest yields for 2024 to 10,000 kg/ha responds to a combination of economic factors, demand fluctuations, and adverse weather conditions, aiming to maintain market balance and ensure the quality of the final product. This carefully calibrated approach reflects a deep understanding of the complexities involved in preserving the legacy and reputation of Champagne amidst changing global dynamics.