

NEWSLETTER - August 2020

Dear Friends and Clients,

It gives us great pleasure to share with you the latest news from our House for the first 6 months of year 2020.

France is on stand-by.... but the vineyard is fully active.

Last March 17th, everything stopped in France. COVID-19 emerged, forcing the entire population into strict confinement. Our business ambitions, well encouraged by a dynamic start to the year, evaporated from the second half of March throughout the month of April. Our sales figures fell by 80% compared to 2019. A disaster!

During this very special period however, the vines had no break and the anticyclonic conditions helped them evolve rapidly. The confinement for us took place in our vineyards and our entire team was very active. Each employee moved around with their own vehicle to work separate plots.

Even Delphine, our sales assistant, was very active in the vineyards. A completely new task for her. Delphine has been working with us for over 10 years. She splits her time between administrative tasks, sales, and customer service. We thank her for her tireless dedication. In her words: "I much prefer my work in the office ..."

In the vineyards, we had an easy year without any climate incidents (spring frost, hail, etc.) or pest problems (mildew, powdery mildew, grape worms, etc.).

At the end of July, everything was looking good. We predict another good harvest!

First grape cuts are scheduled to take place between August 25th and 31st.



Champagne sales greatly impacted

Champagne accompanies all our moments of conviviality, moments shared, celebrations. It is present on all tables for our festive moments. You will all agree with this!

As from March 17th, all scheduled parties canceled one after the other; weddings, baptisms, communions, birthdays, everything related to celebrations ... Bars, restaurants, hotels and nightclubs closed their doors ... countries' borders as well ... Until May 11th, it was dead calm in the office, the phone only rang for cancellations or postponed orders. Emails received were only related to COVID-19. How depressing!

After May 11, life looked brighter. Our private clients came back to the cellar, the telephone rang again, emails started coming back with nice orders and wine merchants started to fill in their shelves again. We went back to our « almost » normal routine with market sales, deliveries, etc...

Our bottles are selling again... and we're happy!

Unfortunately, this was not the case for all Champagne operators like the big Houses (Négociants) who invested more in export businesses and in major international events (fairs, shows, festivals, etc.). Those activities were even more impacted. The Traditional HORECA circuit (Hotels / Restaurants / Cafés) also suffered extensively. And that is likely to last until the end of the year...

Impacts of the slump in sales on the harvest

The Champagne authorities estimate a decline in sales of about 30% for year 2020. While nearly 300 million bottles were distributed in 2019, we anticipate no more than 200 million bottles will be sold in 2020.

In Champagne, to regulate the markets, grape quotas are set based on sales perspectives for the current year. As a consequence of COVID-19, this year, we are only allowed to pick 70% of the 2019 harvest, i.e. a 30% drop of income for each winegrower.

Gourmet Escape canceled

Due to the actual sanitary context, as well as such an early harvest, the second edition of our Gourmet Escape which was scheduled during the weekend of August 30th, was canceled. Hopefully, year 2021 will be more conducive to relaunch this great experience. Be ready for a new anniversary celebration!

New labels for our TRADITION cuvées

In the fall, our TRADITION champagne bottles will change their appearance. (view the photo).

We were hoping to get our new labeling project finalized sooner, but with the slump in sales during the months of March, April and May, and some delays with our printing provider (due to confinement) our project fell a little behind. This was an opportunity to give it some extra thought, which was great!

Our ROSÉ and PRESTIGE Cuvées will also be entitled to a « new look ». This will be done a little later, towards the end of the year or at the start of year 2021. Stay tuned!

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Sparkling Regards,

Olivier & Sébastien GRATIOT

PS: We now prioritize communication by email whenever possible. Kindly send us your eMail address.

During this very special period, it allowed us to communicate easier with our customers. Thank you for your understanding!