

# MADE IN CHINA

A country that has never shied away from duplicating mass-produced Western goods now turns its hand to fine wine, artisanal cheeses and homegrown caviar. Will it succeed?

BY TONY PERROTTET PHOTOGRAPHY BY NACHO ALEGRE



**IT TAKES A CHÂTEAU**  
On the outskirts of Beijing, Changyu AFIP winery, which aspires to European-style vintages, is a Disney-esque experience, complete with a faux French castle and medieval village.





**FOLLOW THE CORKS**  
Signposts at Changyu direct visitors to a brave new world of Chinese grape wine, once considered a distinctly Western taste. Opposite: Liu Yen, who fell in love with French cheese while studying in Corsica, now produces his own line in Beijing under the label Le Fromageur de Pekin.

**O**N A RARE CLEAR DAY, Grace Vineyards, 310 miles southwest of Beijing, might be mistaken for a winery in Tuscany. The balcony of the Italianate mansion overlooks lush rows of grapevines stretching to the horizon, where low mountains hover in the haze. Picnic tables sit scattered in a garden beneath slender trees that rustle in the dry wind. But take a stroll outside the winery gates, and you instantly step into the heart of provincial China. The unpaved lanes lead to farming villages whose crumbling facades are daubed with old Communist-party slogans and hung with tattered red flags. The motorbikes rattling past are beaten-up relics from Mao's day; the grape pickers moving through the fields wear traditional broad peasant hats. Beyond them lie the half-forgotten byways of Shanxi province, a region renowned in the Imperial era as a center of trade and banking but more notorious in recent decades for its polluted cities devoted to the coal industry. Only a short drive away lie remnants of China's ancient glory, such as the enormous Chang Family Manor, once the luxurious abode of tea merchants, its interior lined with exquisitely carved wood.

Grace Vineyards is focused more on China's future. In the elegant dining room adorned with contemporary artwork, a small army of servers glide around me. While the kitchen prepares a banquet of delectable Shanxi treats, including scissor-cut noodles, sautéed river fish and fried *bing* pastries, a fastidious wine steward creeps up at regular intervals to refill my glass with Grace's flagship Cabernet blend, the rich and velvety Chairman's Reserve, rated 85 by Robert Parker's website for its subtle blackberry flavors and hints of bay leaf, pepper and cedar.

Grace is at the forefront of one of China's more improbable trends, as the most successful of a new wave of boutique wineries. Most have cropped up in the dry terrain of Shanxi and Ningxia in the north. But winemakers are also venturing into China's more varied landscapes, laying vines from the deserts of the old Silk Route to the foothills of the Himalayas. There are now more than 400 wineries in the country. Wine consultants from France, Greece, California and Australia are becoming as common as foreign IT experts in Shanghai, and the local product is being marketed not only to expats but to an increasingly sophisticated Chinese clientele.

The results are beginning to startle critics. In 2011, the Cabernet blend Jia Bei Lan, from the He Lan Qing Xue vineyard, became the first Chinese wine to take the prestigious Decanter World Wine Award (judges praised its "supple, graceful and ripe" flavors and its "excellent length and four-square tannins"), and in 2012, four Chinese reds, led by Grace's Chairman's Reserve, beat French Bordeaux in a blind taste test in Beijing with international judges. Although some in France cried foul—wines had to be under \$100, including the 48 percent mainland tax on imported wines—more vocal Chinese patriots hailed the result

as heralding the arrival of an industry, evoking the famous blind tasting in 1976 when California wines also outshone the Gauls for the first time.

As they advance, China's boutique-wine pioneers may also help upend one of the many myths about the country. The conventional wisdom—or cliché—is that China can reproduce Western manufacturing or technology overnight, but European artisanal culinary delicacies that have evolved over generations are all but impossible to replicate. And yet, even apart from wine, there are dozens of small producers in China who are now attempting to do just that, with surprising success. Truffles, *burrata* cheese, prosciutto, feta, Roquefort, baguettes, *foie gras*—almost



every Western gourmet item has been tackled by Chinese entrepreneurs for a new audience of adventurous diners. The Temple Restaurant in Beijing, a contemporary enclave that is part of a 500-year-old temple near the Forbidden City, offers excellent French-style cheeses crafted by Le Fromageur de Pekin, a local producer named Liu Yang. His specialties include Beijing Blue and Beijing Gray, whose consistency falls between a Camembert and St-Marcellin. At the five-star Peninsula Shanghai, if you order the selection of caviars, two will be Chinese. For a decade already, a Chinese caviar industry in the mountain rivers bordering Russia has been winning accolades and is exporting to the U.S. and Europe.

The main hurdle is convincing consumers to give Chinese products a chance—a problem that is

particularly acute with wine. An affinity for grape wine seems culturally far removed from the Middle Kingdom. For some 4,000 years, the Chinese have preferred rice wine, a dark, fortified brew that resembles a dry sherry. (It became a state monopoly under the ancient Tang and Song dynasties, when the government ran taverns that doubled as brothels, featuring female musicians outside to lure customers.) And like many uninformed outsiders, when I was first offered a glass of Chinese wine in Shanghai's spectacular restaurant, M on the Bund, I thought it was a practical joke. The idea tends to provoke remarks about toxic side effects—losing taste buds, for example, or even the sight in one eye. "Five years ago, you might have been right," the owner, Michelle Garnaut, says, handing me a glass of Grace's 2010 Chardonnay as we stand on the balcony facing the skyscrapers of Pudong. The first sip is a surprise—crisp and bright, with subtle nectarine flavors.

In fact, grape wine was first grown commercially in China in 1892, using vines imported from California, when it was marketed to foreign residents and the first rising class of Westernized Chinese. It was a strong beginning: In 1915, the winery, Changyu, won a string of gold medals at the Panama-Pacific International Exposition in San Francisco, and in the wild and decadent 1930s, sultry movie star Hu Die ("the Chinese Marilyn Monroe") promoted it in Shanghai. After a long period of stagnation following the Communist Revolution, production of wine began expanding after the country's embrace of capitalism in the 1980s. According to Vinexpo, an international wine and spirits trade group, China is now the world's eighth largest wine producer and will be the sixth largest by 2016, surpassing Australia and Chile. But the emphasis has long been on quantity rather than quality, with enormous state-owned companies like Great Wall and Dynasty churning out cheap wines for locals with industrial speed, often using grapes imported from Argentina and South Africa.

For a glimpse of an old-school winery, I make the pilgrimage one drizzly afternoon to Changyu AFIP, located in a rural district an hour-and-a-half drive northeast of Beijing. It's the descendant of China's pioneer 1892 company and now part of a conglomerate whose scale can only send a shudder down the spine of the average oenophile. The winery isn't hard to spot, since it boasts a reproduction French chateau, its turrets rising above the verdant vineyards. The sense of Disney fantasy only increases as I enter an attached wing of the winery complex called Foreign Town, a faux European village complete with medieval church, stores where Chinese newlyweds can have their photos printed on wine labels and a shop mysteriously called The Holy Grail Factory—all utterly deserted but awaiting busloads of tourists.

Accompanying me is the Beijing-based wine blogger Jim Boyce, who has covered the local wine industry for eight years and has been a consistent advocate for the boutique wines of Shanxi and Nanxia. Boyce, who has the slightly disheveled appearance and acerbic wit of Newman from *Seinfeld*, is having trouble readjusting





**FINE PAIRINGS** From left: Inside Chengyu winery; cheese from Le Fromageur de Pekin; vineyards of Shanxi province, which has produced award-winning vintages.



“A FEW YEARS AGO, CHINESE WINE WAS TERRIBLE. NOW IT’S NOT. BUT THE INDUSTRY IS STILL IN ITS INFANCY.”

—JIM BOYCE



**BARREL FEVER** Left: Chengyu’s product line includes special wedding vintages. Below: A cellar at Grace Vineyards.



**LOCAL HERO** Above: A dish at Madison, a Western-style restaurant in Shanghai that uses only Chinese ingredients. Right: a worker at Changyu winery.



his palate to China’s pollution after a trip to the bucolic Napa Valley. For days after his return to Beijing, he jokes, the bouquet of every wine, good or bad, was vaguely like smog, the first sip rather like lead. (“And the hangovers are worse here,” he mourns.)

A guide named Nan Xia leads us into the château to inspect the underground cellar, where private wine collections are stored behind Arthurian coats of arms inscribed with Chinese calligraphy, and a Museum of Wine Culture, which includes a photo of Changyu wines being served to President Obama at a state dinner. (“The closest thing to an assassination attempt yet,” Boyce murmurs.) The tour ends up in a cavernous tasting room, where a young sommelier, Wong Fuyue, hesitantly serves a 2008 Chardonnay at room temperature to the Muzak version of the *Titanic* theme song. “I would describe this wine as anemic,” Boyce notes. “There’s not much nose. But at least it’s clean.” When told that it sells for over \$100 a bottle, Boyce almost dropped his glass. “I can buy a Chilean bottle for \$12 at the supermarket—and it’s better! Why would I buy this wine?”

Wong Fuyue grins and turns up his palms. “I don’t know!” Nan Xia is unperturbed by the bad review. “Can we all take a photo together?” She gives Boyce her card in case he hears of a job at a better winery.

**A**FTER VISITING CHANGYU, it is easy to understand why the arrival of smaller producers causes such relief and excitement among China’s wine lovers. Some experts believe that the sheer novelty of the situation is leading to overenthusiasm. “A few years ago, Chinese wine was terrible,” Boyce says. “Now it’s not. But the

industry is still in its infancy,” he cautions.

The boutique wines are expensive—thanks to their small-scale production and China’s high transport costs—retailing from \$40 to \$80. And production in some vineyards is minuscule. One critical favorite, for example, Silver Heights, run by Chinese-born winemaker Emma Gau, in Ningxia, produces only 6,000 bottles a year. But the quality of the boutique wines is now undeniable—the country has the soil, the climate and an aptitude for the technical aspects of production—and the range of domestic wines is expanding, like so much in China, at an accelerating pace.

The rise of boutique wineries is just one element turning the wine world on its head; another is the recent boom in international wine imports to China. At the luxury end of the market, the shifting tastes of China’s superwealthy are now dictating prices at auction houses around the world. Hong Kong led the way, abolishing the tax on imported wine in 2008 and becoming the world’s No. 1 wine auction market by 2011. “People say it’s a miracle, but it’s not,” says Gregory De’eb, who owns Crown Cellars, a fine-wine storage facility housed in a World War II bomb shelter leased from the Hong Kong government. For decades, Hong Kong’s wealthy had been storing their wines in cellars overseas. “In 2008, the floodgates opened. There was 40 years’ worth of wine knowledge, 40 years’ worth of stocks and a huge amount of capital. All the building blocks were in place.”

This wine expertise is now percolating through the mainland. “China started late, but it’s catching up quickly,” says Simon Tam, head of wine at Christie’s in China. “In just a few years, people have reached a very high level of appreciation. Chinese clients used

to talk only about prices and vintages, not what was in the bottle. Now the important thing is not how much money you have but how you express it in wine knowledge.” Tim Wailand, general manager of the exclusive Aman Summer Palace in the Emperor’s former retreat in Beijing, suggests that the image of China’s wealthy class as crass nouveau riche—mixing expensive Bordeaux with Coca-Cola, for example—is entirely out of date. “The nouveaux riches of 10 years ago are now the old rich,” he says. “They have homes in Switzerland and Aspen, they’re incredibly sophisticated and well-traveled—much more well-traveled than I am—and they know their wines.”

Foreign importers are eager to expand their foothold far beyond the luxury market, as an estimated 200 million potential consumers in China’s growing middle class are exposed to wine for the first time. China is already the world’s fifth-largest wine-consuming country. At fine restaurants in Beijing and Shanghai, where Chinese diners make up the majority, customers regularly pore over wine lists and discuss options in detail with the sommelier. “Eight years ago, Chinese people were not confident about wine,” says Jackie Song, wine steward at the Spanish restaurant Sureño, in Beijing’s trendy Opposite House hotel. “All they would drink was French, especially Burgundy. But now they try Spanish wines, Chilean, Greek.”

The number of Chinese-born sommeliers has increased exponentially over the last five years, with great career rewards for the most dedicated. Jerry Liao, who won the China National Sommelier Contest in 2013, had barely tasted grape wine a decade ago when he began working in high-end restaurants. “I was basically forced to learn,” he says. “Otherwise I would have lost my job.” Discovering his talent,

he rose quickly through the ranks to become wine director at the new Shangri-La hotel in Shanghai. Even more astronomic has been the rise of Lu Yang, a talented young sommelier who became the wine director of the entire Shangri-La hotel empire in 2012. “I’m in the first wave of Chinese sommeliers,” he says. “We all realize that we’re opinion leaders. We feel a lot of responsibility. And there’s a lot of pressure.”

Wine is also being offered at more social events in China. When I was invited to a dinner party at the Beijing studio-residence of artist Wang Mai and his wife, Liu Chun Feng, joining poets, pop stars, gallery owners and curators in a warehouse filled with sculptures and giant oil paintings, the evening began with Prosecco and moved on to Australian Shiraz to complement the Szechuan hot-pot dinner, in which morsels of meat and vegetable are dropped into boiling oil. Wang remembered first trying sweet Chinese white wine at age 10 but has so far been unable to sample the new boutique wines. “The only Chinese wines I can afford are almost undrinkable,” he said. “I’ll stick with Barossa Valley.”

**G**RACE VINEYARDS IS a model for the Chinese wine industry’s potential,” says Tam of Christie’s, pointing to its consistently good results over the past decade. Grace has an annual production of two million bottles, specializing in Chardonnay and robust reds, including a varietal now found only in China, the Cabernet Gernischt, which tastes similar to a Cabernet Franc. It now appears on wine lists around China, featured in such cutting-edge boîtes as Mr and Mrs Bund in Shanghai, a high-end French restaurant and the first in China to

arrive on the San Pellegrino list of the World’s 50 Best Restaurants. This year, Grace is even releasing the first Chinese sparkling wine, a blanc de blanc.

But on China’s wild frontier of taste, the artisanal success stories are nothing if not eccentric. Even the birth of Grace Vineyards sounds like the premise of a reality-TV show. “We’re considered a miracle in the industry,” says Judy Leissner, the CEO of the family-owned company, whose father moved from mainland China to Hong Kong in the 1970s to escape the Cultural Revolution. “We had no experience in wine, no connections, no distribution network.” Leissner’s businessman father, Chun Keung Chen, purchased 60 acres of farmland in Shanxi in 1997 to fulfill a fantasy of owning a winery, and in 2002, as the first vintage was hitting the market, he handed over the reins to his spectacularly unqualified, 24-year-old daughter, who takes her name from her German husband. A psychology graduate recently laid off from Goldman Sachs at the time, Leissner had only experienced wine as a teenager on holiday in Burgundy, where she drank two glasses of red and fell asleep on the couch. Her arrival in the backwaters of rural Shanxi was a culture shock, as she was collected from the airport by the surly local vintners, who were suspicious of her youth, gender and evident inexperience. “When they mentioned Cabernet Sauvignon, I didn’t even know what they were talking about,” she recalls. “But I BS-ed my way through—a skill I had learned from Goldman Sachs.”

She had to learn almost every aspect of the industry from scratch, Leissner tells me when we meet at a Michelin-starred Hong Kong restaurant, Bo Innovation, which serves a range of Grace wines with its molecular Chinese cuisine. A local designer created Grace’s first label, Leissner says, but “it looked

like soy sauce. We had to beg people to take it.” She hired an Australian consultant, Ken Murchison, and to improve quality, they uprooted half the original vines, which horrified government officials (“In China, everything has to get bigger and bigger!”). Even marketing the unfamiliar product had its comic elements. In 2003, Grace opened its first retail store in Fuzhou, where Leissner’s family originated. “For 16 days, not a single person walked in,” Leissner recalls. When one finally did, the four shop girls rushed him. “He fled! They scared the poor guy to death.”

The breakthrough came when the Peninsula hotels in Hong Kong, Shanghai and Beijing began to serve Grace wines and even commissioned a special Peninsula label. China’s other five-star hotels soon followed suit. The initial appeal was to foreigners who enjoyed the novelty, but the new wave of Chinese middle-class diners has now become the majority of the market. “A lot of Chinese people are proud of our wines and want to show them off,” says Leissner, who admits there is still a deep prejudice against Chinese wine overseas. But if the quality is consistent, China can overcome its poor image, she suggests, as New World wines have. “People forget that when Californian and Australian wines first came out, consumers were very, very skeptical. The French looked down their noses for decades at the Napa Valley.”

**W**ARINESS OF THE “Made in China” label is even more severe when it comes to food, thanks to the scandals that have become a staple of international news since 2008, when baby formula tainted with toxic melamine killed six infants and



sickened 300,000 more. In 2013, millions of chickens were slaughtered for fear of bird flu, and a crime ring was arrested for passing off rat and mink meat as lamb.

The small producers of artisanal Western delicacies are so far exempt from such scandals. Consider the rise of Chinese caviar. Kaluga sturgeon was first imported in 1997 to a research station on the Amur River, near the Russian border, one of the few pure waterways left in China. A visiting French scientist suggested harvesting it. Today, China accounts for 20 percent of world output, filling the gap left by overfishing and poaching in the Caspian Sea. Ninety-five percent is exported, to the United States, France, Japan and even Russia, and it's served in first-class air cabins and sold under the esteemed Petrossian label. But it still struggles to overcome the made-in-China stigma.

Swiss-born chef Florian Trento of Hong Kong's Peninsula hotel recalls being deeply apprehensive when his counterpart in Shanghai invited him to try the caviar. "I said, 'Really? Chinese caviar?' He said, 'Trust me!' And it was fantastic." Now two types of Chinese caviar are on the Peninsula's menus around Asia. "Often we do blind tastings because Chinese products have such a bad rap," Trento says. "Diners are very, very surprised." He sees it as a template for what is possible in China. "The quality is excellent, the industry is well regulated, the farms are sustainable," he says. "We are very keen to support it." Still, even in Beijing markets, Chinese caviar is sold with Cyrillic labels to look Russian. "In the long term, the Chinese have to fix things. There's been one scandal after another. How much more can you destroy your reputation?"

Because of their size, most top restaurants and five-star hotels import ingredients from overseas—beef from Australia, produce from California, mozzarella from Italy. But in the former French Concession of Shanghai, one upscale restaurant, Madison, has gone to the opposite extreme and makes a point of serving only locally sourced produce. The menu, although technically new American, reads like a lesson in Chinese geography. There's smoked trout from the coastal waters of Fujian, pan-roasted chicken from the mountains of Anhui, Wagyu tenderloin from the fields of Qingdao. The truffles for the hollandaise are sourced from the Himalayan foothills of Yunnan, and ingredients for side dishes such as potato purée with garlic scapes, radish and morel-*huangjiu* sauce are gathered from small farms near Beijing.

"You can't say that China doesn't have great ingredients," says the chef-owner, Austin Hu, who moved with his family to Shanghai from Wisconsin when he was 8, studied at the French Culinary Institute in New York City and worked as a sous-chef at Danny Meyer's Gramercy Tavern. "There's a huge amount going on out there. In fact, Chinese produce does not have to be inferior; it can be better." One employee works full-time tracking down produce across the Chinese countryside, meeting farmers and fishermen outside

the industrialized food system. "It's a lot of work," Hu admits when we meet at the bar of his softly lit, SoHo-style space, a refuge from the city's chaos. "When you take the extra step to find the little guys, it can be a revelation." He has discovered small, pesticide-free farms cropping up, with names such as Little Donkey Farm, which sounds as though it was transplanted from Brooklyn. He's met an artisanal beer maker in Inner Mongolia who would only sell his brew in 100-crate lots ("We send a guy up there to negotiate and truck it ourselves to Shanghai"), and has come across a delectable salt-cured ham from Yunnan. ("I'll put it up against any type of prosciutto.") One small farm near Shanghai was even producing hand-pulled *bur-*



*rata*, employing teams of elderly women who once handmade dumplings. ("Their finger skills are great.")

Hu says that the concept has been a hard sell. "Some customers, when they discover it's all locally sourced, will stand up and leave the restaurant. I tell them they're being closed-minded. I say, 'Give it a shot!' But it's hard to break the mind-set." Another problem is the relatively high cost. "Chinese people are pretty value sensitive," says Hu. "They praise a restaurant that is *xing jià bi*, good value. These local ingredients are not cheap, so it's a risk for people to break out of their regular eating habits." But as concern about food quality mounts in China, customers are becoming more prepared to pay extra to know their food is safe. "During the bird-flu scare, we sold more chicken than ever," says Hu's cousin, Garrett,

who manages Madison. "People trust our sourcing."

It's a strange twist that every new food scandal bolsters the sales of artisanal Western foods, even in the most difficult gastro frontier, cheese. Many Chinese are lactose intolerant and find the rich milk product difficult to digest, but Lui Yang, the first to produce French artisanal cheese in China, says that while his first customers in 2009 were Western expats, they are now outnumbered by locals. "Parents want their kids to have safe, real food," he says. "When they come to my shop, I explain where my milk comes from and how the cheese is made." For most, a visit is a totally new experience. "I give them a tasting platter and talk over tea about how to appreciate the flavors."

With his close-cropped hair and horn-rimmed spectacles, Liu Yang looks more like an intellectual from the 1960s than a hipster gourmand, and his factory, where a half dozen women in hair nets work over shiny industrial vats, is improbably located in a row of shops in an outer Beijing suburb. His own introduction to quality cheeses began slowly, Liu explains, when he moved to France to study business management 10 years ago. "Like most Chinese people, I had only ever tasted processed yellow cheese," he says. It wasn't until he moved to Corsica in 2005 that he had his conversion, when he learned that his next-door neighbor handcrafted his own cheese and was willing to share his experience.

On his return to Beijing, Liu tried his hand using local dairy. Not surprisingly, he could not replicate the exact flavors: French cows graze on grass in the mountains, so an herbal flavor infuses their milk, while Chinese cows feed on grain at industrialized farms. (There is an organic dairy in the region, but its prices are prohibitive, Liu says.) Even so, he was able to monitor his milk's quality by buying direct, and he now owns six cows fed with grass by a friend in the countryside. Since opening in 2009, he has expanded from his Roquefort-style Beijing Blue to six cheeses of varying richness and consistency, and he has just begun selling a goat cheese. "Food culture is very important to all Chinese people, and they are open to new tastes," Liu says. "The rich and the poor go to restaurants regularly. Eating is the most enjoyable thing in life." And the cultural leap is not as great as imagined. "We eat fermented tofu, so we can eat fermented cheese."

The speed of change depends largely on the Chinese economy. "We talk about education as a way of developing China's wine culture," says Lu Yang of the Shangri-La chain. "But the most important thing for growth is having a stable middle class, with a disposable income. Unlike the US or Europe, wine is still a luxury product rather than a daily beverage." Still, many believe that for local winemakers in this near-virgin territory, the prospects can only improve. "It's true that Chinese wine doesn't have a recognizable identity yet, unlike, say, a classic Napa Valley or Clare Valley wine," says David Shoemaker, the American-born head sommelier at the Shangri-La Pudong. "But very soon, I think, we will be able to taste a wine and say, 'Ahhh, that's a classic Shanxi.'" ●



**EMBASSY ROE**  
The caviar tastings at the Peninsula Shanghai now include two Chinese brands. Opposite page: Sky Zhang, chef at the Peninsula's restaurant.