



The Yeatman Cellar

BED & beverage

Challenging economic conditions have induced a rethink of the wine hotel industry. Patricia Langton traces the fortunes of some key players

IT'S A far cry from the prosperous times of the mid 1990s for the boutique hotel, even the ones with an impressive wine list: the marketplace is crowded, customer spending power is limited and an out-of-town location adds to the challenges. However, there are ways of navigating the choppy waters.

In 1994, a hotel with a difference opened in Winchester with an eclectic wine list as its point of difference together with gourmet dining and a touch of luxury. Simply named Hotel du Vin, it was the brainchild of Gerard Basset MS MW and Robin Hudson who had met at Chewton Glen in their respective roles of head sommelier and managing director. As the duo grew the business successfully to a small group of hotels in carefully chosen locations in England they enjoyed the field largely to themselves: the only comparable business, Malmaison, was honing in on northern England and Scotland.

Reel forward to 2012 and Malmaison Group, now owner of Hotel du Vin, was hitting the headlines for all the wrong reasons: the senior management was chopping and changing, its Bistro du Vin restaurants in London opened and closed within a year and Ronan Sayburn MS, wine & spirit director, had left for pastures new in August. Hotel du Vin, once a much respected industry trail-blazer, looked set to be one of the recession's next victims...

Malmaison Group went into administration in November 2012 and in March both hotels were acquired by Denver-based KSL Capital Partners. A specialist in the travel and leisure business, to date mostly in the US, KSL has pledged a programme of renovation and expansion both in the UK and beyond to fulfil what it sees as the group's "tremendous potential". In a sign that the business could be finding a new direction, a new Malmaison hotel is planned in Dundee in September 2013 and a Hotel du Vin is set to open in St. Andrews in early 2014.

ADAPTING TO THE TIMES

Changing economic times are resulting in a rethink for some wine hotel operators including The Hacienda Company (formerly Haciendas de España), a sister company to United Wineries. Back in the early years of the millennium, CEO Victor

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Feature findings

- ▶ Boutique wine hotels boomed in the 1990s, but times are harder now with less prosperity generally and a more crowded marketplace.
- ▶ Opening in 1994 Gerard Basset MS MW and Robin Hudson's Hotel du Vin innovated with luxury, gourmet dining and an eclectic wine list.
- ▶ Having been taken over by Malmaison Group in 2012, which in turn went into administration, new openings are now planned for both.
- ▶ Wine hotel operators throughout the UK and over in Spain and Portugal are rethinking their offer, setting up partnerships with wine producers and fine dining groups, as well as increased by-the-glass offerings.
- ▶ The approach to special offers is carefully managed and cheap deals are generally avoided.

Redondo had ambitious plans to create a group of hotels stretching along the Duero Valley and into Portugal, taking in some picturesque but remote locations.

But the fragile state of the Spanish economy has led to a rethink. In a change of tack the hotel business has been scaled down and the focus has shifted to the development of the Zorita's Kitchen restaurant/retail business as a vehicle to sell its wines and an increasingly varied gourmet food range both in Spain and particularly on an international scale.

Hacienda Zorita, the first hotel to open in 2004, has been retained and expanded and is marketed to an international

customer base as one of the country's top choices in the wine hotel and spa market.

Meanwhile the other three locations (including one in Madrid) have become a retail



Barrel bed, The Yeatman



The Vineyard Hotel

outlet for the company's wines and fine foods, a culinary centre or part of a portfolio of holiday villas. "In this economy [in Spain], luxury boutique hotels are not viable as they rely heavily on corporate PR budgets, which have been drastically cut" says Redondo.

Like United Wineries, The Haciendas Company is headquartered in London with joint venture subsidiaries in Russia, the US and Norway gearing up to roll out the Zorita's Kitchen concept.

Over in Portugal, The Yeatman Hotel opened in 2010 in Porto's Vila Nova de Gaia district. Offering 82 rooms, it represents one of the largest wine-themed hotels to date. This new wine hotel venture from The Fladgate Partnership (owner of Taylor's, Croft and Fonseca Ports) had a specific mission to "offer the best hotel in town and become a reference for quality in Portugal and worldwide". As Adrian Bridge explains, the city's strong wine heritage made Porto the

location of choice rather than a remote outpost of the Douro: "The city's strong wine heritage attracts over 700,000 visitors a year – growing at a double-digit rate... Porto is the gateway to the Douro but also the Minho (Vinho Verde), Dão and Bairada. However, there had never been a hotel that did justice to the historic, architectural, gastronomic and wine heritage of the city."

The wine offering at The Yeatman aims to represent wines from all Portugal's wine regions spanning Port, Madeira and table wines with 82 wines available by the glass. Wine producers – including Niepoort, Blandy's Madeira and Esporão of the Alentejo – have been encouraged to become involved with the business as "wine partners" who are actively involved through hosting wine dinners, sponsoring rooms and using the hotel.

The food offering has been given equal importance – The Yeatman boasts a Michelin-starred restaurant headed up by chef Ricardo Costa. The recent Route of the Stars, an annual European event hosted by Portugal in 2013, saw the hotel host some of Europe's top Michelin-starred chefs. The third strand to the business is the all-important Caudalie spa.

The Yeatman set out to attract a primarily international clientele aiming for a split of 85% from overseas and 15% local. Bridge says that around 75% of customers currently come from overseas and he is encouraged by the steady growth of the business; the occupancy rate is expected to reach 65% this year taking in the low season winter months and the summer season when the hotel is "almost full".

PASTURES NEW

Back in the UK, players in the upmarket wine hotel business located outside

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Hotel du Vin: timeline

1994: The first Hotel du Vin is founded in Winchester as a luxury boutique hotel by Gerard Basset MS MW and Robin Hudson.

2004: The business is sold as a group of six hotels to Malmaison Group, owner of the Malmaison boutique hotels. Malmaison Group more than doubles the number of Hotel du Vin locations. Bistro du Vin, with two outlets in central London, launches in 2011. They close in 2012.

November 2012: Malmaison Group enters administration.

March 2013: Denver-based KSL Capital Partners acquires Malmaison Group with 27 hotels in a deal thought to be close to £200 million.

London agree that times are tough. Gerard and Nina Basset have shelved plans to expand their business (as announced in 2012) and are focusing all their attention on Hotel Terravina in Hampshire's New Forest, the hotel that they established in 2007. Basset declines to comment on the merger with fine dining group 10 in 8, also announced last year.

The latest development at Terravina has moved the food offering up a notch or two: The Dining Room at Terravina was launched in February following the appointment of executive chef George Blogg. Open for dinner three days a week, this superior restaurant offering offers a choice of nine (£72) or 12 (£85) courses as set tasting menus based on fresh produce from Hampshire and Dorset. Guests can select wines from the à la carte menu or

go off piste with recommendations from Basset and his wine team. "You have to do the best that you can, especially outside London," says Basset.

Others have also been introducing changes. The Vineyard Hotel at Newbury in Berkshire, a five-star hotel, opened its doors in 1996 with

an emphasis on Californian wine (owners the Michael family also own the Peter Michael Winery in California); however by 2010 it was time for a rethink. “We upped our wine currency and reinvented ourselves as a wine destination,” says managing director Andrew McKenzie. The look of the hotel was changed: on entering the hotel guests are given the impression of a walk-in cellar as they pass through a glass passageway with rows of wines visible on each side.

The wine offering was also reworked. California is still well represented with 600 bins of a total 3,000 but the list is far more varied in terms of origin and price: there are 50 wines under £25 but you can also splash out on a double magnum of Pétrus for £19,000.

There are now 100 wines available by the glass and on Saturdays guests have the opportunity to taste “something spectacular” when bottles of icon wines are opened and sold by the glass at cost. “This is perfect for couples where one is particularly keen on wine and they want to try a glass of a really special wine,” says McKenzie.



The Yeatman's lobby

The kitchen team likes the challenge of the Surprise Menu and it allows the sommelier team to propose more unusual wines. The concept works well with wines by the glass

He adds: “Now guests are more prepared to talk to the sommelier about wine, they are less intimidated and they love matching food and wine.” For those wanting to delve deeper into wine, there are also wine masterclasses and a wine school. Alternatively there's a spa complete with wine-related treatments which was added soon after the hotel opened. “A hotel like ours without a spa is like a country pub without beer,” says McKenzie.

Summer Lodge has adapted its food offering by introducing a Surprise Menu which is based on what is available locally. The menu, priced £60, comprises six courses with wine pairing suggestions offered by head sommelier Eric Zwiebel MS and his team. “The kitchen team likes the challenge of the Surprise Menu and it allows the sommelier team to propose more unusual wines. The concept works well with wines by the glass,” says Lotter.

Summer Lodge in Dorset is part of the 14-strong upmarket Red Carnation Collection of hotels but sets itself apart from its siblings by making wine its point of difference. General manager Charles Lotter says that expensive wines can and do sell, but increasingly by the glass rather than by the bottle.

NO TO DEALS

The approach to special offers is generally carefully managed and cheap deals are avoided, especially by independently minded wine hotels. “I'd rather that we sold our experience at a specific price to a smaller number of customers,” says Lotter at Summer Lodge. Meanwhile Basset restricts offers to the Terravina website.

The Yeatman takes an “added value approach” to offers which aim to highlight the features of the hotel such as a spa treatment or a wine tasting. “The Yeatman has a parent company with a long-term vision that is prepared to support operational losses in order to ensure that the quality the client receives is the very best,” says Bridge.

The wine hotel has had to adapt to a much changed environment but there are still opportunities to sell high quality and more usual wines. And wasn't that the original idea? db