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U.S. wine-makers flock to Argentina

The South American country's currency crisis opened the door for overseas entrepreneurs to buy its vineyards at low prices.

By [Ian Mount](#)

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(FSB Magazine) Mendoza, Argentina -- Viña Cobos co-owner Andrea Marchiori tightens her smile ever so slightly as she eyes my pant leg and shoe, now spattered with the oxygenated blood purple of malbec wine.

"We'll get you a rag for that," she says.

One of the first skills wine connoisseurs develop is the bull's-eye spittoon shot. Besides staving off the liver damage that looms as an occupational hazard, it lets you taste dozens of wines without getting hopelessly plastered - very important when you're driving 30 miles between tasting rooms. But this morning, after a seven-hour flight delay pushed my arrival in Mendoza, Argentina, back to a groggy 2:30 A.M., my expectorant capabilities are not up to par. My aim is not enhanced by the moral qualms that I feel about hawking this delicious wine into a bucket: Viña Cobos malbec sells for \$150 a bottle.



PHOTO: DIEGO GIUCISE/ARCHIVOLATINO/REXUS Local red hits glasses at the Vines of Mendoza tasting room.

I've been sent to Mendoza with the tough assignment of tasting the wines produced by a slew of American entrepreneurs who have launched winemaking operations in the area.

Mendoza, an arid province about 650 miles west of Buenos Aires, is Argentina's grape-pressing heart, with 70% of the country's vineyards. International winemakers first discovered Mendoza in the mid-1990s. After the country's 2001-02 financial crisis and currency devaluation drove down prices for investors bearing dollars and euros, a rush of Italians, Spaniards, Chileans, and Americans scooped up chunks of the area's famous land. According to the country's wine institute, the Instituto Nacional de Vitivinicultura (inv.gov.ar), between 2000 and 2005, winemakers added 29,000 new acres of vines to Mendoza's existing 348,000 acres.



PHOTO: DIEGO GIUCISE/ARCHIVOLATINO/REXUS The vines along the Andes mountain range at Vina Cobos.

Argentine wine exports totaled \$379 million last year, up from \$15.2 million in 1990. During the first four months of this year, exports soared nearly 28% compared with the same period in 2006.

I begin the process of happy sipping and inept spitting 40 minutes south of the city of Mendoza at Viña Cobos (vinacobos.com), whose majority owner is Paul Hobbs of the famed Paul Hobbs Wines (paulhobbs.com) in Sonoma Valley. In a new gray-and-black facility that resembles a high-design airplane hangar, Hobbs, Marchiori, and her husband, Luis Barraud, make 35,000 cases a year of some of Mendoza's most expensive - and arguably best - wine. Amid the sweet smell of fermentation, Marchiori shows off the 2007 vintage, still in stainless-steel tanks.



PHOTO: DIEGO GIUCISE/ARCHIVOLATINO/REXUS The grapes at Vina Cobos.

The wine comes in three levels of quality and price: Colección Nativo, Bramare, and at the top, Cobos. While I'll never master the connoisseur's vocabulary - *Wine Spectator* describes Hobbs's 2003 Cobos malbec as "flamboyant" with flavors of "bacony toast" and "tar" (those are compliments) and gives it a "classic" rating of 95 points - I do taste the difference between the complexity of the 2007 Cobos malbec and the simpler, more acidic power of the Bramare version. But both are delicious.

Hobbs visited Argentina for the first time in 1989, as a consultant to a Mendoza winery that wanted to produce barrel-fermented chardonnay. "Here was a diamond in the rough," he says of the local wine industry. For decades Argentina had been fermenting oceans of plonk, but as local demand flattened, the industry moved to improve quality for export.

The country's first signature varietal was malbec, a potent black grape that grows better in Argentina than in its native France. In 1998, having mothballed his consulting practice to concentrate on

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his own wines, Hobbs took the plunge: He put in \$40,000 to match \$40,000 from Marchiori and Barraud. They planned to make Cobos using grapes from Marchiori's family vineyard.

It was a disaster. The grapes from the Marchiori vineyard were damaged by 20 days of rain during the March harvest season (the 1999 vintage produced less than 1,000 cases), and a lack of expertise and attention to detail in their outsourced production facilities meant that the malbec came out tasting like cork. "People started to wonder if the cork taste was a feature of malbec or of the terroir," says Hobbs, 54. "It could have torpedoed the entire industry."



PHOTO: DIEGO GIUDICE/ARCHIVOLATINO/REDOX
Shifting product at Vina Cobos, the