

3. Have the vineyard checked for Flavescence Dorée. This is effectively a virus of exponential growth, which can destroy a vineyard in five years, and is particularly virulent in organic vineyards where no effective chemical spraying can be applied.

Winery

1. Check for TCA contamination, which leaves your wine tasting of mouldy cork. If badly infected, you may have to sand-blast the concrete walls to clean out the winery.

2. Check how winery effluents are treated. EU regulations are becoming stricter, and an effluent plant could cost you 100K€ for a large production.

3. Have Health and Safety check the winery to avoid injury or worse in what is after all a high-risk, industrial building.

Whether you're buying with your head or your heart, full technical due-diligence should be undertaken by a specialist, in order to protect yourself and your investment.

WINE Objectives (www.wineobjectives.com) is a company which specializes in vineyard transactions and industry M&A.

They offer a large panel of services, one of which is full technical due-diligence as part of the obligatory audits required when purchasing a vineyard.

And thereby peace of mind for you, the future "vigneron".

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Buying a Vineyard is a Prickly Business



Adam Dakin has worked in the French wine industry for the past 20 years, including 15 years for a company specialized in vineyard transactions.

WINE Objectives was born of a desire to offer a higher level of service to both a professional and international clientele.

Pecharmont Chateau

Location: Bergerac

Size: 100 hectares

Bedrooms: 7

Ref: FPM-13640

Price: POA

Agent: Home-Hunts

Contact: Rory Ramsden

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Purchasing a vineyard is a prickly business which, oh far too often, involves buying with the heart and not with the head. All your good intentions to buy a strong business, a "terroir",

or an under-performing Château which shows great potential slip by the wayside when you fall in love with a 19th Century Château, protected by wooded gardens, overlooking a lake



This, in itself, is not a crime, but not applying the appropriate method and due-diligence to the acquisition is a likely recipe for disaster, especially in view of the amounts of money at stake.

No matter what, a vineyard is a business, and a business should be thoroughly examined before buying it.

A full legal and financial audit is often undertaken, and is a necessity when buying a company-owned vineyard.

Technical due-diligence, however, is often overlooked and could leave you rueing the day you set eyes on the property when you later discover what you have bought.

A vineyard business is made up of four component parts:

1. The Vineyard
2. The Winery
3. Administration
4. Sales.

Financial



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Whereas Administration and Sales are often verified within the financial and legal audit (balance sheet, intellectual property, sales distribution....), it is unlikely that your accountant will don his overalls to look for a crack in your cement tanks, or be able to tell a Merlot leaf from a Syrah.

The limited nature of this audit means that an exhaustive Vineyard and Winery checklist is impossible. The absolute must-do verifications, however, when acquiring a vineyard are as follows:

Vineyard

1. Check the customs document for which varietals are declared planted, which are actually planted and whether or not the land is classed as AOP or IGP.
2. Have a GPS survey done to check that you don't end up with 15ha of Merlot and not 21ha, as declared by the vendor.

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