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France's wine production is expected to face a significant drop in 2024, with Burgundy alone bracing for an <u>estimated 35% decline</u>. At Louis Latour, one of Burgundy's most storied wineries, the impact may be even more severe. Founded in 1797, Louis Latour is the largest vineyard owner of Grand Cru sites in Burgundy, and its new CEO, Florent Latour, is now navigating the house through one of its toughest vintages yet.

"Overall, I'd say that if you compare this year's vintage to full vintages like 2022 and 2023, it's going to be 30% of a full vintage," Latour said, reflecting on a year that started with late frosts, was punctuated by hailstorms, and ended with heavy September rains.

After a difficult, low-yield year in 2021, Burgundy saw two abundant vintages in 2022 and 2023. But 2024 threw a curveball, with critics already <u>calling it the toughest vintage in 50 years</u>.

Latour however noted that different vineyard areas had been affected to varying extents. "People say Burgundy is complicated and fragmented, and this year reminds us of just how varied conditions can be from one village to the next," he noted. "Chablis is significantly impacted, but other regions are better. Macon Village and Pouilly-Fuisse, for instance, are not as affected. You'll see less Corton Charlemagne and Côte de Nuits from 2024, but a decent amount of Meursault and Bâtard-Montrachet."

To ensure quality, the 227-year-old winery doubled or even tripled the labor force for grape selection. "What remained was healthy. We double- and triple-staffed the sorting table, so we're really expecting solid whites and maybe even some nice surprises for the reds," he said.

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Florent Latour, CEO of Maison Louis Latour

#### Plans to Expand Presence in China

Florent Latour's interview with us took place during his recent promotional trip to Hong Kong with its local importer <u>Links Concept</u>, marking his first visit here as <u>CEO of the storied house</u>. He took on the role in 2022 after the sudden passing of his brother, Louis-Fabrice Latour.

Export markets are critical for Louis Latour, with France accounting for only 20% of its sales revenue, while 80% comes from abroad. The U.S., U.K., and Japan are its top export destinations.

In the next 12 to 18 months, Latour plans to shift Louis Latour's approach to the Chinese market, though he did not disclose specific details. "I think we need to reconsider our entire approach to China. That's part of why I'm so interested in the region—to talk to people and explore how best we can address the challenges there. Ideally, in the next 12 to 18 months, I'd like to see substantial changes in how we operate in China," he said.

Latour added, "We generally have a strong affinity for countries with rich cultural histories, and we usually find a way to connect with them. That's the effort we're focusing on with China: taking the time to truly understand the customs, the lifestyle, the food, and all the unique facets of its culture across various regions."

At the moment Asia accounts for a quarter of Louis Latour's exports, he reveals and the company's goal is to eventually capture at least a third of the Asian market. "In the past 10 to 15 years, we've successfully entered several smaller markets in Asia, and we're always pleased with the results," he said.

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#### Bringing Tech Industry Insights to the Winery



CEO Florent Latour showcased a range of Louis Latour wines with winery's Asia Export Manager

Mark Allen

Although Latour represents the 11th generation of the family winery, he had little involvement in its daily operations before taking on the CEO role. After graduating from Harvard University, he founded a successful tech company in the U.S. and lived with his family in Washington, D.C.

Despite this, Latour said he was familiar with the winery from childhood. "I was born in Beaune, and I spent my entire childhood there. My father would bring work to the lunch table every day, so I grew up surrounded by it," he said. "In the 70s and 80s, students would come home for lunch between classes, and we'd have a couple of hours together. Being a family business, naturally, we'd end up talking about it, so we were all very immersed in it."

However, running a 227-year-old family business is quite different from the tech industry where Latour has spent his career, working in software, B2B, and more recently, e-commerce ventures. Comparing his experience managing a tech company with running a winery, Latour noted key differences. "My main objective coming in was to protect the team and ensure continuity. Then there's the importance of relationships—commercial relationships, like with Links Concept, connaisseurs, and writers in specific markets. It's been a major focus for me, and I've spent maybe two-thirds of my time on the road, visiting everyone—at Maison Louis Latour and in key markets—to really get to know as much as possible and carry that message of continuity and ambition," he said. "We remain ambitious, but there's also a commitment to continuity in how we do things. As Mark said, we're always evolving."

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Florent has also applied effective practices from the tech industry to his family winery. "My brother had a system where each small entity had its own leader, and he would talk to these leaders individually to dispatch information. That was his approach. I, however, work a bit differently. In the tech world, there's a strong emphasis on direct communication between team members, regardless of location.

"Rather than having people working on commercial issues in the U.S., U.K., and France go through their respective managers, I prefer they talk directly to each other. I encourage constant communication—for example, between our winemaker in Levin and the person handling Ardèche and Beaujolais—because there's always something to learn from each other. We all face different circumstances, and I just make sure they have the tools and empowerment to connect. When we hold technical meetings, everyone is around the table.

"Another method I've brought from tech is small-scale trials. When we're considering something new—a label, a cork, a bottle—we could discuss it endlessly. My approach is that once we've identified something to explore, we immediately test it in one specific area, then review the data, gather feedback, and evaluate. It's like running a controlled experiment, and in tech, this approach is quite common," he said.

### Sustainability Linked to Quality

Latour shared his views on sustainability, including ongoing organic certification efforts. He believes that sustainability must always be tied to product quality. "Especially in our vineyard work, we prioritize sustainability, always aiming to balance it with quality as part of a true team effort. For example, we use rainwater—not just to feel good about it, but because rainwater is better for treatments than tap water since it's chlorine-free," Latour said.

Latour's approach to sustainability also includes protecting the natural habitat around his vineyards, even down to the hedges and stone walls that attract birds. "The birds help with pest control by eating insects, which ultimately supports quality," he said. "We make our own compost by mixing tendrils with local manure, letting it sit for six months, and then returning it to the vineyard. This not only nourishes the soil but also reduces the need to burn tendrils, which used to create a lot of smoke. For us, sustainability truly lasts when it's tied to quality," he added.

"Our focus is on what we feel most responsible for: caring for the entire hill of Corton We look at it as a whole—there's a forest at the top, our vineyards, and our properties," he said.