BILLIONAIRE WINES

Would You Pay $1 Million for This Wine?

Why people pay stratospheric sums for a single bottle of wine



By Madeleine Deliee | July 13, 2022



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What the hell makes someone pay a million dollars for a bottle of wine?

In November 2021, a six-liter of Cabernet Sauvignon sold for $1 million, the most ever for a single bottle. Yes, it was a pedigreed bottle. Yes, it was special: the only six-liter made from an already sold-out vintage. Yes, it was for a good cause – the Emeril Lagasse Foundation has granted $17.5 million for mentoring and education. All of this adds up to reflected glory by association, perhaps, by way of purchase, but still ... $1 million. For a bottle of wine.

Is any wine worth this? And even if it is, what would make someone pay that sum for what is, after all, a drink? I had to know.

The world of expensive wine

Between 1634 and 1637, the Dutch went nuts for tulips, producing what was known as tulip mania. Some bulbs went for prices equivalent to that of a house. The flowers were desirable and rare, making them symbols of status and power. Shockingly, it turned out that flowers were a poor investment.

Today, most wine isn't a strong bet either, because it will inexorably turn into vinegar, no matter how well it's stored. But some wines — a few rare bottles — have not just increased in value, but have proven to be one of the best performing investments on the market. What investment-grade wines have in common is generally a long history of high demand.

The million-dollar wine, a massive bottle of The Setting Glass Slipper Napa Valley Cabernet Sauvignon 2019, was certainly desirable. It comes from The Setting, a series of wines created in 2014 by Jeff Cova, Noah McMahon, and winemaker Jesse Katz, who has experience at renowned wineries like Chateau Petrus under his belt. Only 75 cases of the 100% Cabernet Sauvignon were ever made – and only one 6-liter bottle, known as either an Imperial or Methuselah — and the wine was a collaboration with highly-regarded Napa vineyard owners Paul and Suzie Frank. Yet as highly regarded as the wine is, a single 750 ml bottle normally sold for a mere $185. Expensive, sure, but an entire case cost $2,220 back in the days when it was available, which means more wine for far less money. What explains its high auction price?

The setting for the sale probably primed the pump. First, this auction is a big event, attended by collectors and industry insiders wishing to see and be seen. The Carnivale du Vin draws a particular crowd of knowledgeable, and largely



Chef Emeril Lagasse holding the prized wine, The Setting Glass Slipper Napa Valley Cabernet Sauvignon 2019, at the Emeril Lagasse Foundation auction. Photo courtesy of Emeril Lagasse Foundation.

wealthy, individuals. Plus, it's held in New Orleans, which has never exactly been known for judicious restraint. And besides, it's for a good cause.

Asked why an auction might draw this kind of bidding, wine industry veteran David Knight shrugs. "You have a bunch of rich people together. If you have $250 million, a million doesn't matter," he says. He elaborates that inherent worth, which is the value of the bottle itself, and the relative worth, which is what someone believes about the bottle, are driving factors. Then, too, it's for charity. "If you've ever had a school bake sale, you know that people will spend more on charitable items," Knight says.

And then there's the auction aspect. I've spent enough time on eBay to know the charge of an ending auction. Scarcity is certainly part of that, but there's also just the pleasure of, well, winning. And that's just online, staring at a screen within the privacy of my own home. The energy of a crowded room, seeing your competitors try to outbid you, must only increase the adrenaline.

“When you see these big headlines of record-breaking wines or whatever it may be, that goes into why a price can be driven up so much,” Katz explains. “One of them certainly is scarcity. You know, this is a one-of-a kind bottle.”

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Fight, flight, or outbid

Dr. Laurel Mellin, founder of Emotional Brain Training, says that in a situation like this, the thinking brain yields to the emotional brain. “The emotional brain has survival circuits, stress and reward,” she says. “The stronger these are, the more the thinking brain goes offline.” You’d be hard put to find a situation that pushes both stress and reward more completely than an auction. “You’re not thinking about whether it will be worth it tomorrow,” she says. “If we’re in fight or flight and buy something, it gets attached. Now you have a fight or flight drive to purchase.” Once that occurs, she adds, “It feels like if we don’t get that bottle of wine, we’re going to die.”

The thrill of having something others cannot is also a rush. As fewer than 100 cases of the vintage were released, it’s one of the producer’s smallest-ever offerings. The wine itself, which previously auctioned a standard-format bottle for $350,000, is a fine, well-regarded Napa wine. And, of course, it’s long gone, unattainable to mortals who didn’t snap it up immediately, but who can perhaps get on a waiting list for future offerings – much like those who wait years for a bag at Hermès.

Since I’m still shaking my head, Jonathan Stevenson, Executive Vice President for Cult Wines tries to explain the desirability of the bottle for me. “You are talking about something that people hold into such high esteem that it’s almost moving into that collectible and trophy end of the market,” he says. “It’s almost like purchasing a fine piece of art or a very old, vintage, classic car. You know, that money-can’t-buy type of aspect is what’s really driving that appeal for someone to want to pay that much money for a bottle.”

Scarcity equals desirability

Stevenson agrees that the occasion, auction fever, and proximity to the wine elites probably factored into the price as well, but he sees scarcity as the driving force, comparing it to the wine that went to space. “That kind of allure is completely unique. It’s not a wine that we would put into our client portfolios, just because it’s so expensive, but we’re looking into different ways perhaps that we could think about launching that as an offering as a fractional ownership capacity,” he says. In other words, you’re not tasting it, and you don’t even get to fully own it, but you get bragging rights.

To me, this still feels pretty dry, alcohol pun intended. I can see the pleasure in fractional ownership of art, or some other rare object, which can be appreciated in a museum or gallery. But wine is meant to be enjoyed, and where is the joy in this purchase? Are you supposed to go visit the bottle? Or are you just meant to gloat, knowing you have a teeny stake in something so rare?

And yet, the fact remains that this one bottle of wine is simultaneously a million-dollar prize and a million-dollar investment; it also constitutes a million-dollar windfall for a worthy charity. Am I convinced that it’s worth a million dollars? No. But the truth is, I don’t have to be: the wine is worth it if someone is willing to pay.

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