

# Three generations of F.W. Langguth Erben Winery

Another member of the Langguth family comes on board, and the company moves in a new direction.



**F**rom the outside, there's nothing unusual about the building tucked away in a quiet street of Traben-Trarbach, the historic German town on a picturesque stretch of the Moselle. The building is a quaint, half-timbered house, of the kind that tourists love to photograph. Inside, it's a different story. While the walls and ceiling are historic, the furniture is colourful, modern and comfortable. Here is where Patrick F.W. Langguth, the new managing director of F.W. Langguth Erben, is discussing the strategies that will take his family firm into the next 225 years.

## A FAMILY COMPANY IS BORN

The year 1789, when Franz Wilhelm Langguth founded a wine-trading company in Traben-Trarbach on the Moselle River, was a tumultuous one for Europe, being the year of the French revolution. But the Moselle Valley,

which had been a wine-producing area since Roman times, was thriving. It was turning its attention to Riesling and producing wines that were sought after in the salons and palaces of Hanoverian England, and which commanded high prices.

Over the next century, a combination of fine vintages, new technology and favourable tariff and tax regimes saw Moselle wines boom, as easy transport down the river allowed the wines to be shipped and enjoyed around the world. This access to the river, incidentally, created a knowledge of distribution networks and logistics that remains embedded in the DNA of many German companies, some of which, like F.W. Langguth Erben, developed unparalleled international expertise in wine shipping.

After the devastation of World War II, this knowledge became a crucial pillar in reconstruction, as it allowed Wolfgang Langguth to orient the company towards the international wine trade. His timing was excellent, as the 1948 monetary reform in Germany created a

Wirtschaftswunder, or economic miracle, that saw German goods in hot demand abroad, while Germans had more money to spend at home.

## THE COMING OF BRANDS

Post-war trade between Germany and France was, however, restricted, leaving German consumers without enough French wine to meet demand. Wolfgang Langguth, seeing an opportunity, created a French wine brand Medinet, calling on designer Hans Domizlaff to develop an eye-catching bottle – the now-classic amphora shape. The wine blend, created from wines that came from Provence and the Rhône, proved an immediate hit. Medinet – which this year celebrates its 50th birthday – entered the ranks of classic wine brands. It remains a top selling French wine in the German food retail market.

Another F.W. Langguth brand celebrating its 50th birthday this year is Erben, Germany's top selling wine. Named for the Langguth

Erben family, Erben was launched in 1964; the wines are "Prädikatsweine" (quality wines with distinction) like Spätlese, Auslese, Eiswein and QbA's like Pinot Noir and Dornfelder, meaning they fulfil demanding quality requirements. Erben, one of Germany's most successful wine ranges, has sold more than 330m bottles at home and abroad.

And, of course, there's the iconic Blue Nun. One of Germany's oldest wine brands, it was created in 1921 and sold in more than 100 countries worldwide – there are many wine drinkers around the world who discovered their love of wine with a bottle of Blue Nun.

## TECHNICAL INNOVATIONS

F.W. Langguth Erben have always been at the forefront of risk-taking and innovation. In 1850 they built the largest wine cellar on the Moselle; in 1970, they constructed one of Europe's most modern wine cellars. Today, F.W. Langguth Erben is renowned within Germany as one of the top wineries in terms of equipment and technological standards.

An example of the Langguth approach is their use of the wine scale stabilisation method. Using diaphragm processes, which are based on the techniques of human dialysis, excess potassium and calcium ions are removed from the wine, to ensure quality.

A state-of-the-art bottling line has been recently installed, and highly-trained specialists continuously monitor every wine that passes through the Traben-Trarbach winery, to ensure quality and hygiene standards. F.W. Langguth Erben is also an audited producer of organic bio wines.

## ABOVE ALL, A FAMILY COMPANY

In 2012, the company reached another milestone, when Patrick F.W. Langguth took over responsibility for the international side of F.W. Langguth Erben. An eighth-generation family member, he's in the unique position of working together not just with his father – but with his grandfather. "We are three generations working together in one company!" he says.

"This is very unusual. The family is intrinsic to the decision making of the company." He says his 89-year-old grandfather remains firmly in control. "He's a very strong, driving force, and the major shareholder – and my father is on the board of directors. My role is to put all the lessons I've learned overseas to work, and bring new ideas and more innovation."

On 1 May 2014, Patrick became the managing director of the company. One of his innovations is this building, which houses Langguth's new marketing arm, where importers, buyers and partners can come and experience Langguth, or sit around and share ideas. Patrick admits that when it comes to innovation, he has a hard time keeping up with his grandfather. "He keeps telling me – Facebook! Social media! He can tell me how many users they each have and why we need to keep up."

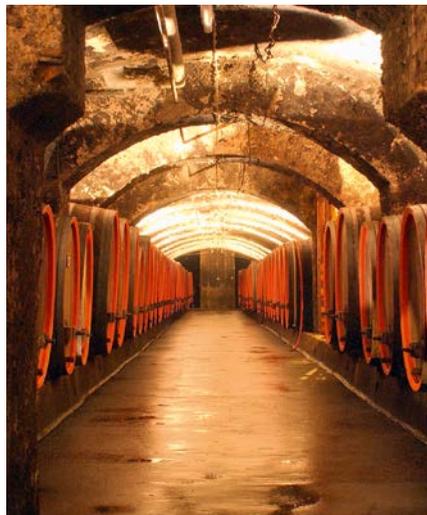
Well, the Langguth family is doing more than keeping up. They've created a whole new strategy to ensure that not only will their business thrive and prosper in the years ahead, but so will their partners'.

# The three pillars of F.W. Langguth Erben

Three generations of the Langguth family have developed a winning strategy for their brands, which they are sharing with their partners.

There are three crucial elements to the success of the Langguth brands:

- 1. The Brands.** F.W. Langguth Erben's flagship brands not only have a long history and track record, but they have immediate visibility and recognition in wine marketplaces around the world, backed by a family name.
- 2. Marketing Services.** All communications and marketing are done in-house, thanks to the founding of smd solutions. Based in a historic house, smd solutions offers partners and importers a place to come together to share ideas, information and market-specific knowledge. Here is where



the unified communication strategy is created, from websites and social media through to material that's right for each market. It all adds up to support the efforts of partners and communication with importers.

- 3. Production and Logistics.** F.W. Langguth Erben use the most serious technology available to ensure that every wine that comes off the bottling line is of the highest quality, in pristine condition. Centuries-old knowledge of distribution and logistics networks gets those bottles to wherever they're needed, when they're needed, whether the destination is a German supermarket or an outpost of Mongolia.

## THE BRANDS

F.W. Langguth Erben's brands sit in a price hierarchy, ensuring that every segment of the market is served with high quality wine.

### Villa W.

The goal of Villa W products is to showcase the quality of Germany's Moselle wines. Grapes from some of the region's most famous vineyards – such as Würzgarten, Piesporter Goldtröpfchen and the premium site Wehlener Sonnenuhr – are used in its production. These harmonious, smooth and well-balanced wines, which show characters that could only have come from the slate soil of the Moselle Valley, are aimed at the sophisticated drinker.



### Erben

Over almost five decades, Erben has developed into Germany's most successful labels. It is now achieving success on the international markets. The top seller is the late harvest Erben Spätlese, followed by a series that includes a barrel-aged Dornfelder, a Riesling Reserve, a Huxelrebe Auslese and a Pinot Noir Reserve. The easiest way to learn about German "Prädikatsweine" is to try the distinctive wines of the Erben range. The brand has been given a makeover in time for its 50th birthday this year, including an embossed bottle design.



### Blue Nun

Created in 1921, the Blue Nun brand has introduced successive waves of consumers to the joys of wine consumption. The wine is made from grapes that come from Germany's wine heartlands, while use of state-of-the-art technology keeps quality consistently high. The range was relaunched in 2011 and this year



will be enhanced with a new embossed bottle design for the all-important Riesling range, backed by an impressive communications strategy, keeping the brand fresh for a new generation of customers.

### Medinet

Medinet remains one of F.W. Langguth's most popular wine brands, distinguished from the competition not only by its taste, but also by its distinctive amphora bottle. The top selling French wine in Germany's food retail market, the wine appeals thanks to its full-bodied, smooth taste. The range includes white blends, red blends, a rosé, a Merlot and a Grenache.



### Angel Reef

Angel Reef is a brand new idea of Patrick F.W. Langguth aimed at younger consumers and reflecting his love of surfing. The turquoise and fuchsia pink packaging is deliberately eye-catching, with the emphasis firmly on fun. Running with the tag line: "Drink chilled or leave it" the range comprises Angel White and Reef Red.



## Three generations, one company

The Langguth family have lived on the Moselle River and worked with wine for eight generations and more than 200 years. This year, they celebrate their 225th anniversary.

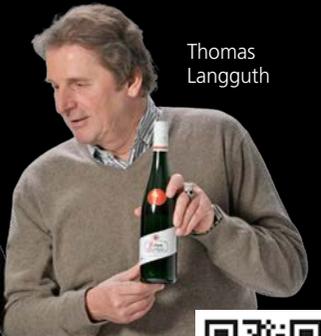
Patrick F.W. Langguth



Wolfgang Langguth



Thomas Langguth



To find out more about Langguth wines, log on to [www.langguthworld.com](http://www.langguthworld.com)



# Meet the new managing director

Patrick F.W. Langguth studied business administration in both Frankfurt, Germany, and Rio de Janeiro, Brazil, before working in international marketing and gaining experience handling major portfolios in Europe and Asia.



Patrick F.W. Langguth says one of the things that most impressed him when he came to work at F.W. Langguth Erben was a sushi night organised by one of the young winemakers.

"When I turned up, the winemaker was wearing the full sushi gear – the full Japanese robes – and using the proper knives," he said. "He'd completely immersed himself in doing sushi the correct way." For Patrick, the evening symbolises the company's global direction. "We're very international and we understand what's going on internationally, and how people think. I'm even working on my first karaoke song in Chinese!"

## AN INTERNATIONAL APPROACH

On 1st May 2014, Patrick F.W. Langguth was appointed managing director of his family's company, after working as the export director since 2010. "I started doing Asian business with the former export director Helmut Seibert," he says. "My first task at F.W. Langguth Erben was to meet a Chinese delegation here at the Moselle and have a full night of toasts. Then I did a lot of travelling to Asia."

Working in Asia, he says, is completely different to working in wine in the West. "It's not trivial to work in Asia. I had to do a lot of listening before being able to say a word. In Asia, you don't get recognition for being the son of somebody. You have to show them that you're for real and that you're genuine."

His international experience reinforced for him that the three pillars of success are sales, marketing and service – that understanding the needs of partners is crucial. "When we travel somewhere to meet our partners, we don't get in and out in two hours. In two hours you can't grasp the real issues – you need to spend time in the market and also to listen carefully to what people are telling you."

What helps in unlocking doors is that "Langguth has possibilities that other companies don't have. We export to more than 100 countries, so we know how to do it. We know how to send a bottle of wine to Mongolia, to Iraq or to Hawaii. We can get the job done with no hassle, in a very German way – we embrace bureaucracy!"

This depth of experience in international markets is something the company is very willing to share with importers, to help them build their businesses. "We might have seen an idea in China that an importer in the US would find valuable. It's not a one way street, but a dialogue."

## NEW GLOBAL MARKETING COMMUNICATION

One major change that Patrick F.W. Langguth has made is to take all the marketing and communications in-house, to create a more streamlined approach and give a better brand service. "This way we can say to importers, 'here is the material you need' or 'here are some guidelines'," he says, explaining that consolidation in the international wine market has made this more important than ever. "Ten years ago, importers – anywhere in the world – typically had three main products, or three big brands, in their portfolios. Nowadays they have to have a bigger portfolio, with more brands, to give them more strength when they talk to the retailer."

This means importers generally don't have time to do all the strategic thinking around a brand, and they need more backup support. "We are aware of this, which is why we built this infrastructure." He gestures around the meeting room of smd solutions, F.W. Langguth Erben's new marketing arm, inside the tiny house in Traben-Trarbach. The meeting room, the ground floor of a building which has been – at various times – a home, a restaurant and a pub, is now a charming blend of historic half-timbered walls and modern, comfortable furniture. It's a place

where people can meet and hash out problems or create new projects.

Langguth says that one of the biggest strategic and marketing challenges he decided to tackle was "working out how we take these established brands, with all their history, and present them to the end consumer." History isn't always a draw card, he says. "Blue Nun, for example, is an iconic product that has a 90-year-history. Imagine if you asked me about my life, because you wanted to get to know me, and I told you my whole life story for two hours. That's not what you wanted to know."

The new approach is to strip Blue Nun back, to give modern consumers the same message that those original drinkers in 1921 were given: that Blue Nun is an easy, delicious drink that they will enjoy. "We want to bring back this old idea, but communicate it in a different way, through online, social media and a nice website. What interests the consumer? How can they understand it in a single click?"

Langguth points out that one of the stumbling blocks to German wines has been their complexity, with hard-to-pronounce names and difficult denominations. "But our brands mean something that's easy to understand. They are all from the home of F.W. Langguth Erben and all produced with the same quality standards, by a winery known for its technology."

Most importantly, Patrick F.W. Langguth believes in partnerships. "We don't want to be pushing bottles from one place to the other. We want to be about offering a service perspective to the people we work with, both importers and consumers. The positive feedback from our clients shows we are on the right track." Above all, Langguth is about relationships and family. "We've got three generations all working together. How amazing is that?"