Porto: a wine with a history

For almost two millennia, a unique viticultural landscape rose on the schistous hillsides along the Douro River valley and that has produced an exceptional wine. More than a gift of Nature, Port Wine is at heart the expression of this history, a collective cultural heritage of work and experience, know-how and art, that has built up from generation to generation. Port Wine was, and is, a key product for the national economy and even more, a symbolic asset that represents Portugal throughout the world.

The history of vineyards in the Upper Douro is a long and ancient one. There is no lack of archeological discoveries and documented references to witness the cultural persistence of viticulture from past eras.

Remains of stone treading tanks and casks dating back at least to the 3rd and 4th centuries can be found throughout the region. The designation Port Wine, however, only appears during the second half of the 17th century at a time of the expansion of Douro viticulture and rapid growth in wine exports.

During the last third of the 17th century, at a time of great rivalry between the maritime empires in the North, the Flemish and the British increased their demand for Iberian wines, to the detriment of wines from Bordeaux and other regions of France. England imported increasing quantities of Port Wine. In 1703, the Treaty of Methuen put the diplomatic seal of approval on this trade by exchanging privileges for British textiles on the Portuguese markets.



Production of Douro wines, stimulated by the rising British demand and very high prices, tried to adapt itself to the new requirements of the market. However, as it has occurred with all great wines, active trading instigated rivalries that often gave rise to fraud and infractions.

It then happened that, as of the middle of the 18th century, exports stagnated although production continued to grow. Prices dropped like a stone and the British decided not to buy any more wine as they accused the farmers of doctoring their wines.



Consequently, the great Douro farmers, desirous of protecting their interests, petitioned the government of the future Marquis of Pombal to create the Companhia Geral dos Vinhos do Alto Douro. This new institution, established by Royal Charter on 10 September 1756, was directed at ensuring the quality of the product, avoiding fraud, balancing production and trade, and stabilising prices. The first "demarcation of the mountains" was implemented. The borders of the winemaking region were delimited by 335 stone markers bearing the Feitoria designation which indicated the best quality wine, the only one that could be exported to England, commonly known as fine wine. The

concept of a register of vines was defined.

During the second half of the 19th century, a series of factors came together to mark the turning point from the Douro of the time of the Marquis of Pombal to the Douro of today. The destruction caused by oidium during the 1850"s was followed, a decade later, by the ravages of the phylloxera that destroyed most of the vineyards in the demarcated region. In 1865, the new trading freedom regime that was extended to the region led to the opening of the line of demarcation, thus enabling vineyards to expand rapidly to the area of the Upper Douro where the effects of the phylloxera appeared later and less violentely.

This was followed by new methods for preparing the land, new planting techniques for vines, the selection of the best regional species of vines for grafting, the rational use of fertilisers and pest control, the perfecting of winemaking procedures.

By the end of the century, the impact of the phylloxera was clearly evident in the manner by which the land was forced to become reorganised.

At the end of the 1880"s, whilst the vineyards were slowly being rebuilt and spreading over a wider area than before, the Douro was faced with another crisis, one that would prove more destructive than the diseases of the vine, fraud. Imitations of Port Wine were invading our main markets where such as French Ports, Hamburg Ports and Tarragona Ports were being sold at prices far below those of authentic Port Wine. And the market suffered.

Trade was declining, farmers were destitute, the Douro was a picture of misery.

The Portuguese dictator, João Franco, upon assuming office on 10 May 1907, signed a decree that was to regulate the production, sale, export and control of Port Wine, based on the principles applied by the Marquis of Pombal 150 years earlier in defence of the name. New lines of demarcation were drawn around the area of production which now included the Upper Douro. Once again, exports of Port Wine had to be shipped across the bar of the Douro River or from the harbour at Leixões and the Porto denomination of origin was reserved exclusively for fortified wines from the Douro region that contained a minimum of 16.5° of alcohol. Responsibility for defending and controlling the denomination of origin was given to the Viticultural Committee for the Douro Region.

On the other hand, the decree of 27 June of the same year that regulated the brandy trade prohibited the distillation of Douro wines and forced producers to buy the spirits they needed for fortifying their wines, from other winemaking regions, a measure that was violently contested. The excessive enlargement of the demarcated region was also the subject of heated debates, so much so, that the following year Admiral Ferreira do Amaral's government (Decree of 27 November) preferred a demarcation by parishes which resulted in a total area similar to the one that exists today (Decree-Law of 26 June 1986) which, in turn, corresponds to the one established by decree on 10 December 1921.

Exports rose at a totally unexpected rate to more than one hundred thousand pipes in 1924/1925, a volume of trade that would only be surpassed at the end of the 1970"s.

In spite of all the above, however, the situation in the Douro villages suffered little improvements. Poverty and hunger worsened as taxes and the cost of products rose at the end of the monarchy and during the First Republic. The political and social unrest of the first quarter of the 20th century proved to be one of the most turbulent periods in the history of

the Douro, with violent demonstrations, political meetings, riots, the burning of trains carrying brandy from the South of the country, attacks on City Halls and Public Offices.

The new regime that was born with the military uprising of 28 May 1926 enforced new changes to the organization of the Port Wine trade and to Douro agriculture and brought about stricter government control.



In 1926, the government created the Bonded Area, or Entreposto, in Vila Nova de Gaia, an area that was to act as an extension of the demarcated region. All companies connected to the Port Wine trade were forced to build lodges within this area if they wished to age their wines. In practice, this was the end of all trade direct from the Douro.

In 1932, the associative regime created the Farmers" Guilds, consisting of owners of land who were heads-of-households, on which local trade unions held a seat. The Guilds that were formed on a county level then associated themselves to the Syndicated Federation of Farmers of the Douro Region - the Casa do Douro, the entity responsible for protecting and disciplining production. Later regulations (Decree of 30 April 1940) granted this entity the power to prepare and maintain the register of vineyards, to apportion the licenses for fortified wine among producers, to supply grape brandy to winemakers, to supervise the wine made in the demarcated region and to issue the documents that had to accompany all wine transported to the Gaia Entreposto.

The Port Wine Shippers" Guild was created in 1933 as a sectorial association that would endeavour to discipline the trade.

The activities of the Casa do Douro and of the Port Wine Shippers" Guild were coordinated by the Port Wine Institute, an entity created that same year with a mandate to study and promote the quality, control and dissemination of the product.

The register of vineyards was updated. Each year, according to the location, the nature of the soil, the varieties and age of the vines, the Casa do Douro apportions licences amongst all the registered farmers to produce a set amount of fortified wine, according to their classification (from A, the best, to F) for a set price. This is the benefício system.

The associative, or cooperative, movement began to gain strength in the 1950"s and by the beginning of the next decade represented about 10% of all growers and all regional production.

This form of organization was extinguished following the 1974 Revolution, although the Casa do Douro and the Port Wine Institute retained their basic responsibilities for defending the quality of the denomination. In turn, the Port Wine Shippers" Guild became the Port Wine Shippers Association and, more recently, the Association of Port Wine Companies.

Most Port Wine shippers have joined to form groups of companies. At the same time, some of these larger companies have invested heavily in production by purchasing their own estates and vineyards and in replanting. On the other hand, some farmers have, since 1978, decided to enter the commercial sector to sell their own production directly, thus returning to a custom that ended in 1926. 1986 saw the birth of the Association of Producers-Bottlers of

<u>Port Wine</u>, directed namely at the sale of this wine directly from the Douro estates and under the respective farmers" own labels.

In 1995, the Demarcated Region of the Douro was once again re-organised from an institutional point of view. It has been endowed with an interprofessional entity - the Interprofessional Commission for the Demarcated Region of the Douro (CIRDD) - on which farmers and producers had equal representation and a joint goal: to discipline and control the production and sale of wines from the region entitled to the denomination



of origin. Changes introduced did, however, respect the historical, cultural and social heritage and traditions of the region and followed the guidelines set forth in the framework legislation for demarcated winemaking regions. Two specialised sub-committees, one for the Porto denomation or origin and the other for the remaining quality wines of the region, the VQPRD, made up the CIRDD Board of Directors which was responsible for setting the regulations that applied, under law, to each of these two sectors.

This organisational model was altered in 2003, when the CIRDD was replaced by an Interprofissional Council which is a part of the <u>Douro and Port Wine Institute</u>.