BURGUNDY IS A STUDY in contradictions. Collectors will pay thousands for a single bottle of the region’s best wine— which may well be a fake. Plutocrats will pay hundreds of millions for a winery on a tiny parcel of land. And Burgundy’s weather is perfect for growing Chardonnay and Pinot Noir...except when it’s not. A single hailstorm can cut a Burgundy harvest in half, and hailstorms happen with alarming frequency in this part of the world.

The power of the region’s “brand” has been building for thousands of years, since the Romans planted the first vines. Medieval monks created many of the vineyards still celebrated today. After the French Revolution, vineyards that belonged to the church or the nobility were broken up and sold to individuals, begetting the shape of modern-day Burgundy, a land of relatively small, privately held domaines versus the large estates found in Bordeaux.

Burgundy’s singular classification system focuses not on individual estates but on geography, with vineyards classed in a hierarchy of four levels: regional, village, premier cru and grand cru. This system also demarcates five sub-regions: the Côte-d’Or, where (nearly) all the famous grand cru wines are produced; Chablis in the north; and Mâconnais, Côte Chalonnaise and Beaujolais in the south. (See
In other parts of the world, producers aim to borrow Burgundy’s cachet, referring to their Pinot Noirs and Chardonnays as “Burgundian.” Some even appropriate the region’s vineyard-rating system. I’ve tasted so-called “grand cru” and “premier cru” wines produced far outside France.

But make no mistake: Burgundy’s Pinot Noirs and Chardonnays are unlike those produced in any other place in the world. They range from delicate and transparent to earthy, rich and profound, depending on the site. In Burgundy, terroir is paramount, and scrupulously mapped. One vineyard might hold coveted grand cru status while the one next door possesses no official status at all. This singularity and specificity of place have helped make certain wines and wineries ardently sought-after.

The recent purchase of Clos de Tart, a winery in Morey-Saint-Denis with grand cru vineyards, gained a great deal of attention. François Pinault, who paid a reported $230 million-plus for a mere 18.5 acres, is no stranger to high-profile wine investments: He also owns Château Latour in Bordeaux. His purchase follows closely on other acquisitions in Burgundy by fellow billionaires such as André Hoffmann, a Swiss industrialist who bought Domaine Jayer-Gilles in Côte de Nuits in August of this year; Bernard Arnault, CEO of LVMH Moët Hennessy Louis Vuitton, who has owned Clos des Lambrays, another grand cru producer in Morey-Saint-Denis, since 2014; and American impresario Stan Kroenke, the owner of Napa’s Screaming Eagle winery, who purchased Domaine Bonneau du Martray, a top white Burgundy estate, earlier this year.

Why are these people willing to pay so much for such small parcels of land? An economist might answer: supply and demand. Because the number of grand cru vineyards in Burgundy is limited, the number of grand cru wines is highly circumscribed as well. Collectors are willing to pay incredible prices to get their hands on ultra-limited-production bottles from the so-called “big five”: Domaine de la Romanée-Conti, Domaine Leroy, Domaine Armand Rousseau, Domaine Georges Roumier and Domaine Jacques-Frédéric Mugnier.

‘For those prepared to look beyond the trophy wines, some very good Burgundies are hiding in plain sight.’

“People will overpay for these wines just to cut down the looking time,” said Ian Dorin, director of fine wine, New York, for Heritage Auctions. In other words, these are tiny-production wines they simply must have. He cited a would-be buyer who recently bid $4,000 over the high estimate on five bottles of 1990 Rousseau Chambertin and ended up winning them, for the price of $18,000. In a Heritage auction this fall, a collector purchased nine bottles of 2005 Domaine de la Romanée-Conti Romanée-Conti for $150,000.

Never mind that some of these wines might well be fakes. According to Los Angeles lawyer and private wine sleuth Don Cornwell, a “huge” amount of fake Burgundy is on the market. “There are at least five different counterfeiting rings in Europe,” he said. He’s written extensively about the problem and worked with the FBI and other police agencies. One of the most-faked labels, said Mr. Cornwell, is Domaine de la Romanée-Conti (DRC to those in the know). “I would not feel sanguine about buying high-end wines of any kind if I was a collector,” he said.
Wine merchant Geoffrey Troy of New York Wine Warehouse said there are only two kinds of Burgundy today: the big names and everyone else. “At the top tier are Rousseau, Roumier, DRC and a few others demanding top dollar,” he said—wines you’ll see in just a handful of restaurants, such as Restaurant Daniel in New York City, and only if you are willing to pay tens of thousands of dollars for a bottle. In the “everyone else” category, young growers producing excellent, affordable wines in less fashionable appellations such as Santenay and Marsannay provide excellent value for money, as do the “entry level” wines from négociants like Drouhin and Jadot. Yet wines in this latter group can be hard to sell, for retailers as well as wholesalers and importers.

For those prepared to look beyond the trophy wines, some very good Burgundies are hiding in plain sight. Jason Jaccottet, wine director at New York’s Bâtard, believes the average quality of Burgundy has “never been higher” thanks to a talented young generation of winemakers; their entry-level examples can deliver what he called an “authentic” Burgundy wine. Eighty percent of his wine list is devoted to the region, presenting “a cross-section of what’s happening in Burgundy today”—top wines as well as a number from “humbler appellations” like Savigny-lès-Beaune, and “basic” Chablis in the $38-$75 range. (See: “Winemakers to Watch”)

Famed Burgundy importer Daniel Johnnes, who represents some of the most sought-after producers, is excited about up-and-coming talent in the region. “I’m going to Burgundy in a couple weeks to meet some new producers,” he told me over the phone recently.

When Mr. Johnnes first traveled to Burgundy decades ago, the best domaines had yet to be discovered by collectors or billionaires. He finds in the younger Burgundians the same generosity of spirit and sense of fun he once found in their older peers, but also a greater savvy and worldliness. “They have an eye toward commerce,” he said. They also offer oenophiles an opportunity to taste well-made Burgundies at reasonable prices.

WINEMAKERS TO WATCH

New talent in some of Burgundy’s ‘lesser’ precincts is turning out well-made, well-priced wines. Here are 6 reds and 5 whites worth snatching up now, while they’re still affordable.

Reds

1. 2014 Domaine Denis Berthaut Fixin Les Crais ($46)

Only a few years ago, Amélie Berthaut took over her father’s domaine in Fixin, but she has already made her mark with this beautifully delineated red from a small parcel first planted in 1946.

2. 2015 Didier Fornerol Côte de Nuits-Villages ($35)

After a stint as vineyard manager at the famed Domaine de l’Arlot, Didier Fornerol took over his family’s domaine, where he crafts wines like this very pretty, rather light bodied red.

3. 2015 Chanterêves Bourgogne Pinot Noir ($30)
The talented young husband-wife team of Guillaume Bott and Tomoko Kuriyama created this ripe, juicy and irresistibly drinkable Bourgogne rouge from a few different vineyard sources in the Côte de Beaune.

4. **2015 Domaine Y. Clerget Volnay ($55)**

Thibaud Clerget is the 28th-generation winemaker at his family’s domaine, and 2015 is his very first vintage. His rich, concentrated Volnay will benefit from decanting or cellaring a few years—and signals a very promising start.

5. **2014 Domaine Raphaël Chopin Morgon Les Charmes ($24)**

Raphaël Chopin founded his domaine in 2009, after buying his grandfather’s, and now makes wine in several Beaujolais appellations including Morgan. His Les Charmes is aptly named—it’s an aromatically beguiling, supple take on the Gamay grape.

6. **2015 David Moreau Santenay Cuvée ‘S’ ($30)**

After stints at various wineries including Domaine de la Romanée-Conti, David Moreau took over his grandfather’s estate and began making well-made wines like this lush Pinot Noir from an old-vine vineyard in Santenay.