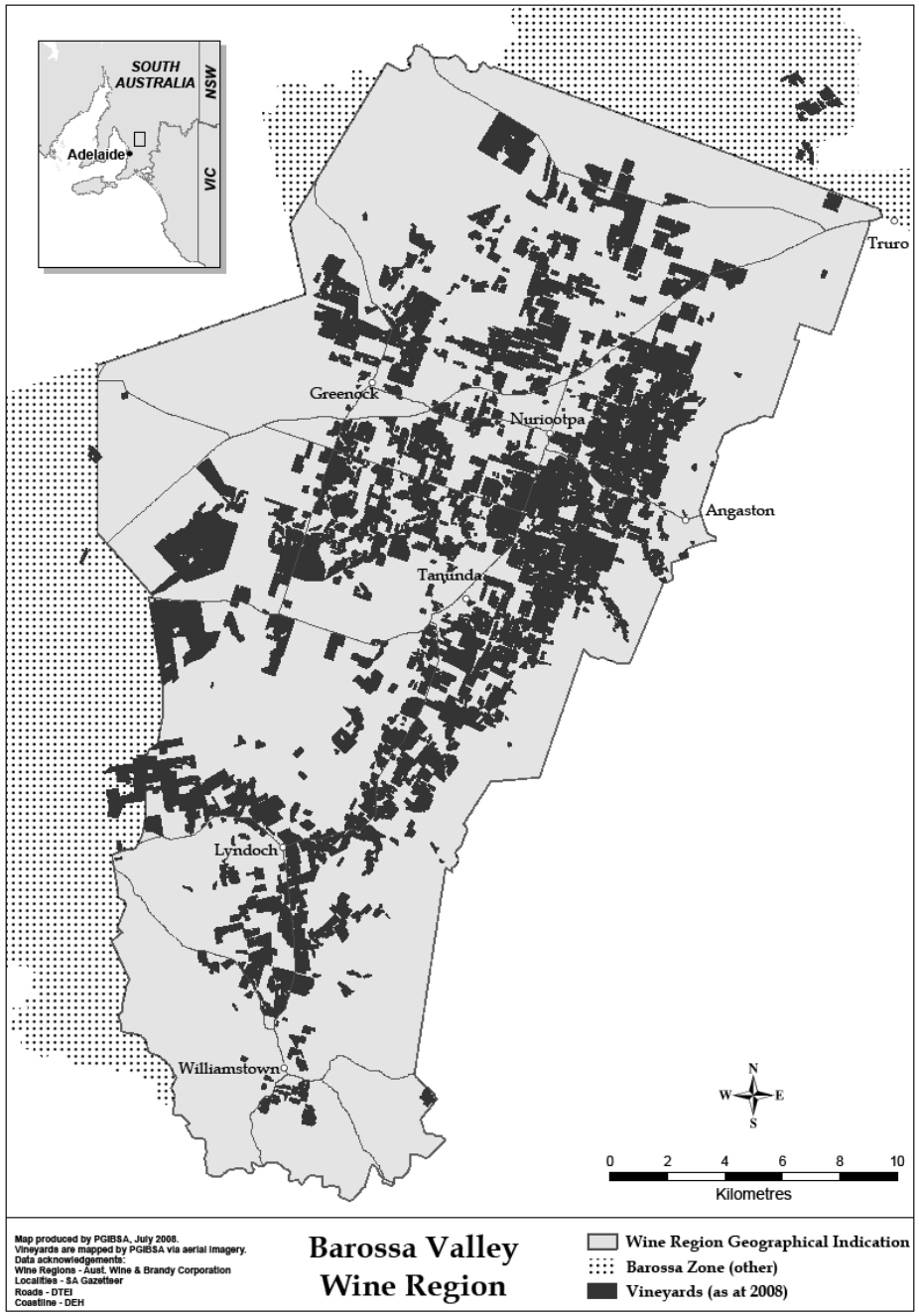


Barossa Valley Wine Region

Incorporating Barossa Zone - other

Regional summary report

2010

ACKNOWLEDGEMENTS

This survey has been produced by the Phylloxera and Grape Industry Board of South Australia on behalf of the **South Australian Wine Industry Association,** the **Wine Grape Council of SA Inc** and **Primary Industries and Resources SA,** who jointly fund the survey.

The publication of this survey is made possible through the support of the South Australian and interstate wineries that processed fruit from South Australian vineyards in 2010. The information is provided voluntarily by wineries on the understanding and assurance that information from individual wineries will be kept strictly confidential. Only aggregate responses are reported. Draft results and supply forecasts are checked by regional industry representatives. Vintage reports have been provided by the regional representatives, local growers or industry associations. Particular thanks for their assistance go to: Jim Caddy, David Edwards, James Freckleton, Juliet Henderson, Elise Heyes, Lian Jaensch, Murray Leake, Frank Nicholls, Louise Rose, Stuart Sharman, Nigel Squire, Michelle Stehbans, David Watkins, and Daniel Zuzolo.

The survey publication is available on the Board's website www.phylloxera.com.au. The state summary and regional reports can be downloaded as PDF files. Previous reports (since 2000) are also available on the website, and hard copies of reports from previous years back to 1998 are available from the Board's office.

COVER IMAGE

Photograph by Catherine Cox, Phylloxera and Grape Industry Board of SA.

REPORT PREPARATION

Peter Carmalt, the Australian Wine and Brandy Corporation, Sandy Hathaway and Rachel Inness - Phylloxera and Grape Industry Board of SA.

ISSN 1442-6048

Date of publication: September 2010.

DISCLAIMER

While every effort is made to ensure the accuracy and integrity of the information reported in this document, no responsibility is taken for any errors or omissions. The Phylloxera and Grape Industry Board of South Australia expressly disclaims any liability for the accuracy and sufficiency of the information, and in no circumstances shall it be held liable for the consequences of decisions, actions, assumptions and interpretations made by those who use the information contained within the report.

DOCUMENT STRUCTURE AND LAYOUT

The full survey report incorporates 15 stand-alone regional reports, covering the major declared GI regions in South Australia, and a state summary section with aggregate data, forecasts by variety and historical comparisons. The report may be downloaded as one document or in sections as a series of PDF files from the PGIBSA website www.phylloxera.com.au.

INTERPRETATION OF REPORT INFORMATION

Please refer to the **EXPLANATIONS AND DEFINITIONS** for definitions, limitations and interpretations of different statistics reported.

Any questions about the report should be directed to:

Phylloxera and Grape Industry Board
+618 8362 0488
admin@phylloxera.com.au

Explanations and Definitions

INTAKE (CURRENT VINTAGE) DATA

Definition of regions

Regions have been defined in accordance with Geographical Indication (GI) boundaries. If a GI region has not been declared, or produces less than 5,000 tonnes, then the data is aggregated into the relevant GI zone. Disaggregation of data into smaller regions such as Southern Fleurieu and Mount Benson is available on request from the Board's office.

Total crush

The **total crushed** is the total tonnes of grapes crushed from a particular source region, whether processed in that region, another region in SA or interstate. All wineries in Australia that are known to source fruit from South Australian vineyards are included in the survey collection process. However, not all wineries submit a survey form - therefore the total tonnage reported may underestimate the true crush. An estimate of the non-response rate for each region is provided below each intake summary report. Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Crop value data

On the survey forms, wineries are asked to record **total purchase value.** This is the total amount paid for fruit of a particular variety at the point of receival – NOT including freight. It includes any penalties or bonuses (eg Baumé) applied at the weighbridge, but DOES NOT INCLUDE other bonuses or adjustments such as end use quality bonuses, which are not available at the time the survey is conducted.

The **calculated average purchase value per tonne** is the average amount paid per tonne of fruit across all wineries. Winery grown grapes are not included in the calculation of average purchase value; nor are grapes grown by companies connected with the winery or under lease arrangements. The **estimated total value of purchased grapes** is calculated by multiplying the average purchase value per tonne by the total tonnes purchased. The **estimated total value of total grapes** is calculated by multiplying the average purchase value per tonne by all tonnes crushed. If there is a variety where there are no purchases, then the average purchase value across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Note: in small varieties there may sometimes be only one winery contributing towards a calculated average purchase value per tonne.

Important note on average purchase value

There is considerable variation in the pricing arrangements made by different wineries. For example, some wineries make adjustment payments based on the average value per tonne reported in this survey and some pay quality bonuses based on the end use of the product. These additional payments are not included in the reported figures. The average price also does not give any indication of the distribution of prices, or variables that go into individual contracts. Therefore the average price should not be compared directly with an individual grower's arrangement.

Highest and lowest price

Wineries are asked to report the highest and lowest prices paid for any parcel of fruit of a particular variety, of any size. The highest of all highest prices, and the lowest of all lowest prices are reported – provided that at least three wineries have provided this information for any particular variety. *Note: the highest or lowest price may be for a very small parcel of fruit - and/or reflect an unusual pricing arrangement - eg payment by the hectare rather than per tonne, "spot market" sales of excess fruit etc.*

FORECASTS

Estimated supply

Supply forecasts have been calculated independently using the planting information obtained from the PGIBSA vineyard register (see below). They are calculated by multiplying the area of vines by an estimated yield figure determined separately for each variety in each region, which takes into account industry practices and objectives as well as historical averages. However, the supply forecasts do not make any allowance for future vine removals or mothballing, yield capping or the effects of ongoing water restrictions or unusual seasonal conditions.

Committed intake

Committed intake is the amount of fruit that wineries are *already* committed to take in, for a given future year. It is made up of winery grown fruit and contract purchases. Only existing or ongoing contracts are included – not intended future signings or renewals.

Explanations and Definitions

Available supply

Available supply (uncommitted fruit) is the difference between estimated supply and committed intake. It is the amount of fruit estimated to be available on the open (spot) market. NB If the committed intake is higher than the estimated supply, this indicates a discrepancy between the independent supply forecasts and the wineries' estimates of future production. In this case, available supply is recorded as zero – rather than as a negative number.

Comparing supply and committed intake

In order to compare supply with committed intake, the latter figures are "raised" to compensate for non-respondents. There is no raising of supply figures because it is assumed that the PGIBSA vineyard planting information is close to 100% complete. The non-response rate is calculated separately for each region and is indicated below the relevant tables.

Demand (required intake)

Following consultation with industry during 2009, it was decided to omit demand figures from the 2010 survey. These figures were considered by the majority of respondents to be unreliable and/or unhelpful. They also add considerably to the survey load for the wineries. Readers of this report are encouraged to provide feedback on this decision either directly to SAWIA or the WGCSA, or to the PGIBSA.

PLANTING DATA

Derivation of planting data tables

Planting data is **not** derived from the 2010 South Australian Utilisation and Pricing Survey of wineries. The information is obtained from the vineyard register maintained by the Phylloxera and Grape Industry Board of South Australia.

The Board is required under the *Phylloxera and Grape Industry Act 1995* to maintain a complete and accurate register of grapegrowers in the state. All vineyard owners with more than 0.5 hectares are required by law to register with the Board, and to complete an accurate vineyard return each year, giving details of their plantings. This information is kept strictly confidential. An accurate vineyard register enables the Board to produce complete, up-to-date statistical information on vineyard plantings by variety, year planted and location.

For more information on registration of vineyards, please contact the Phylloxera and Grape Industry Board office on 08 8362 0488.

Explanatory notes for planting data tables

1. Planting data tables are current as at April 2010 and include all plantings from the 2009 planting season. Vines planted in a particular year may include topworked or replaced vines, as well as new plantings in virgin ground. Where vines have been replaced or topworked, the old variety record is removed. This explains why the area planted for earlier years may be different in the 2010 report compared with previous reports.

2. Vineyard plantings are recorded by Geographical Indication. Planting details for smaller regions not included in the survey report are available on request from the Board.

3. Where a 0 appears in a table, this may indicate the presence of a planting of less than 0.5 hectares, or it may indicate zero plantings. Rounding may produce a slight error in totals or percentages.

Vintage report

The Barossa experienced its best rainfall in five years during winter and spring of 2009, providing good soil moisture for the onset of the growing season in Barossa Valley floor vineyards. Late spring was fairly mild with some moderately warm days resulting in an early budburst. The initial growth was very slow across the region and as the cool wet weather set in with daily maximum temperatures barely 20°C it caused vines to appear anaemic and stunted. Isolated wind and hail also damaged many of these weaker early shoots.

A nine-day heatwave peaking at 41.5°C and windy weather in early November coincided with flowering for many earlier blocks in the Barossa Valley; causing rapid leaf and canopy growth but in some varieties it caused shatter and low fruit set. Chardonnay and Grenache were the worst affected varieties during this period.

Warm and mild weather ensued for the remainder of the growing season so canopies were very healthy and ripening accelerated for an early vintage. The onset of cool nights in mid-March slowed the final harvest for some later varieties and vineyards.

There was minimal disease throughout the Barossa Valley, with only isolated incidences of powdery mildew.

Chardonnay and Grenache crops were generally very poor this year due to the hot and unfavourable flowering conditions. Shiraz however was much more resilient and produced reasonable yields. Quality was excellent, particularly for Cabernet Sauvignon, while the low yielding Grenache and older vine Shiraz was very even showing excellent colour and flavour development.

Whilst classification tastings are currently underway, the resultant wine is showing that this has been an exceptional year for the Barossa. Shiraz – the stalwart, Grenache, Mataro (Mourvédre) and Cabernet Sauvignon are all strong with dense colours, personality and true variety expression. Semillon could be showing the best and purest varietal expression for some years.

Elise Heyes, Viticultural Development – Barossa Grape & Wine Association.
Juliet Henderson, Grower Liaison Officer – Yalumba Wine Company
Louise Rose, Senior Winemaker – Yalumba Wine Company

Overview of vintage statistics

The harvest from the Barossa Valley (including Barossa zone – other) was 60,796 tonnes in 2010, 9,000 tonnes more than the 2009 harvest and the fifth highest crush recorded for this region. The total value of grapes from the region was just over $67 million, and average purchase values in all the major varieties decreased for the second year in a row. The decreases experienced this year were not as high as for 2009, although Shiraz fell a further $180 per tonne and Chardonnay a further $100 per tonne to a new record low.

New plantings in the Barossa Valley in spring 2009 (including top-working and replacements) were 128 hectares – with 50% Shiraz and 13% Tempranillo. This is 1% of the total area, half of last year and in-line with the state average of 1% new planting.

The estimated production from the Barossa Valley for 2011 is around 72,000 tonnes – assuming a return to full potential. The wineries' committed intake is 63,000 tonnes, leaving only 9,000 tonnes or 12% uncontracted.

In 2015, the estimated production is expected to be similar at 73,000 tonnes, of which 68% (50,000 tonnes) is already under contract or winery grown fruit. This leaves an estimated 23,000 tonnes to be sold on the open market or signed up in the intervening period.

Across the state, assuming "normal" growing conditions, there is expected to be a 278,000 tonne surplus compared with demand in 2015 (see State Summary section).

Winegrape intake summary - vintage 2010

Variety	Tonnes purchased	Lowest price[1]	Highest price[1]	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
RED								
Barbera	0					11	11	$13,765
Cabernet Franc	121	$500	$1,400	$94,527	$784	53	174	$136,415
Cabernet Sauvignon	4,839	$100	$5,730	$5,112,976	$1,057	1,826	6,665	$7,042,017
Carignan	11	$900	$2,000	$14,038	$1,234	0	11	$14,038
Grenache	1,695	$100	$3,000	$1,887,976	$1,114	381	2,076	$2,312,308
Malbec	73	$500	$1,200	$71,994	$984	45	118	$115,954
Mataro	453	$500	$8,000	$669,652	$1,477	368	821	$1,213,245
Merlot	2,290	$100	$1,800	$1,638,901	$716	548	2,838	$2,030,915
Nebbiolo	10			$15,000	$1,500	16	26	$39,000
Other Red	225	$800	$2,000	$230,625	$1,026	37	262	$268,731
Petit Verdot	108	$480	$2,500	$73,949	$682	39	147	$100,521
Pinot Noir	313	$250	$800	$181,267	$579	88	401	$232,009
Sangiovese	78	$800	$3,000	$104,685	$1,350	25	103	$138,689
Shiraz	26,504	$100	$6,000	$35,812,023	$1,351	7,091	33,595	$45,393,477
Tempranillo	113	$1,000	$1,900	$173,972	$1,538	13	126	$194,415
Touriga	0					11	11	$14,217
Zinfandel	45	$1,170	$1,800	$62,020	$1,367	34	79	$108,201
Total Red winegrapes	**36,878**			**$46,143,603**		**10,586**	**47,464**	**$59,367,918**

1 Lowest and highest prices are only reported when there are at least three purchasers. Very low prices may relate to extremely small parcels of fruit or fruit delivered that was over the contract amount or penalised for other reasons.

2 It is estimated that the non-response rate for Barossa Valley is 5%.

Winegrape intake summary - vintage 2010

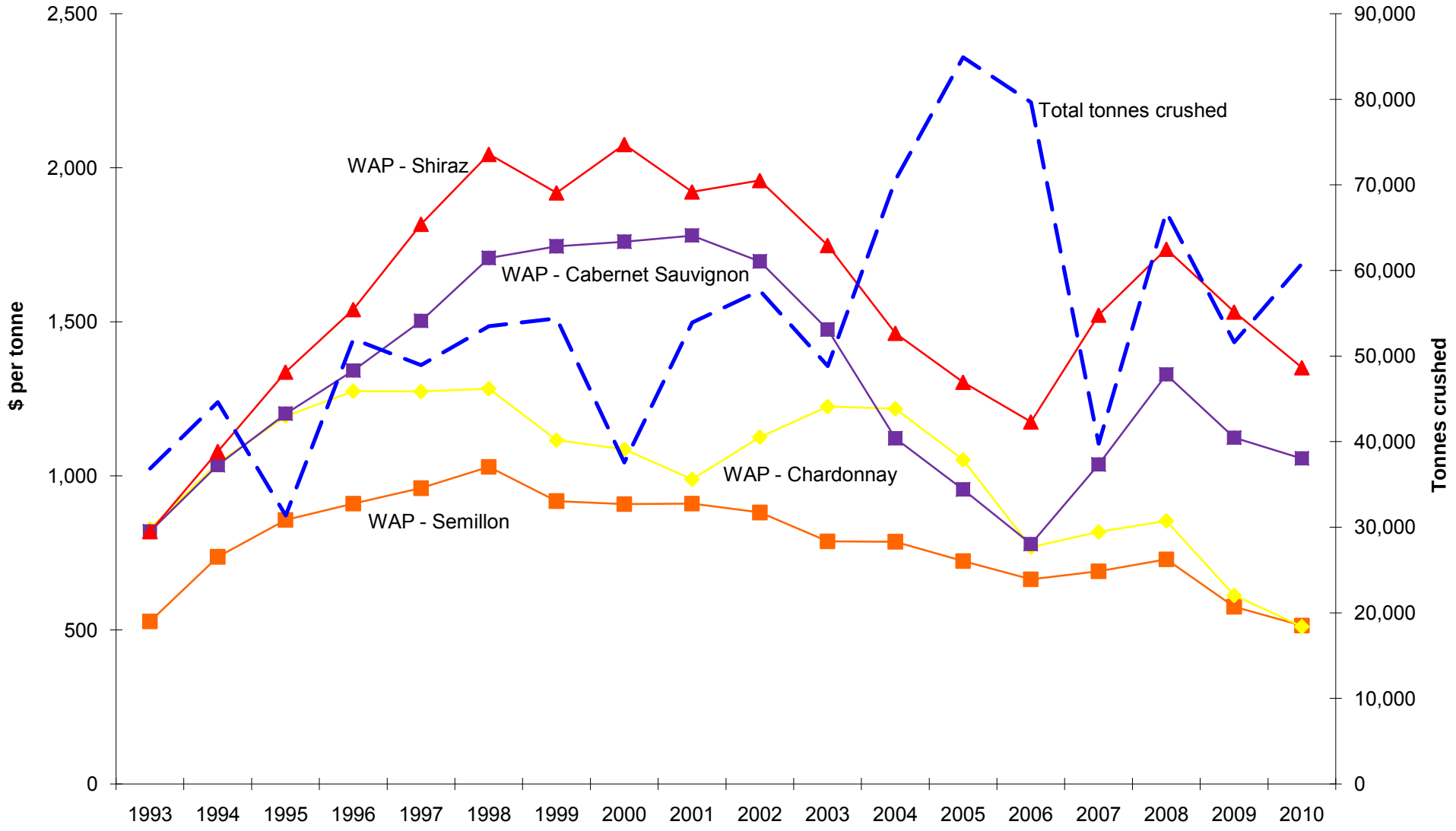
Variety	Tonnes purchased	Lowest price[1]	Highest price[1]	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
WHITE								
Chardonnay	2,114	$150	$1,900	$1,079,472	$511	840	2,955	$1,508,515
Chenin Blanc	241	$250	$600	$102,061	$424	4	245	$103,926
Doradillo	0					5	5	$2,841
Marsanne	4			$8,290	$1,974	47	51	$101,424
Muscadelle	46	$400	$700	$28,743	$627	5	51	$31,771
Muscat a Petit Grains Blanc	213	$525	$1,200	$154,958	$728	73	286	$208,109
Muscat Gordo Blanco	28			$33,000	$1,196	9	37	$43,761
Other White	19			$11,448	$603	10	29	$17,220
Palomino	16			$10,858	$679	19	35	$23,752
Pedro Ximenes	11			$6,370		23	34	$19,526
Pinot Gris	36	$800	$1,500	$37,820	$1,046	7	43	$45,141
Riesling	1,884	$150	$1,800	$1,023,004	$543	1,143	3,027	$1,644,001
Roussanne	11			$12,883	$1,200	14	25	$29,557
Sauvignon Blanc	668	$500	$1,400	$603,305	$903	250	918	$829,158
Semillon	4,577	$150	$1,500	$2,352,300	$514	507	5,085	$2,613,076
Traminer	42			$31,168	$742	0	42	$31,168
Trebbiano	0					3	3	$1,705
Verdelho	10			$5,130	$498	0	10	$5,130
Viognier	367	$150	$2,500	$359,085	$978	84	451	$440,767
Total White winegrapes	**10,287**			**$5,859,895**		**3,044**	**13,332**	**$7,700,549**
Grand Total All winegrapes	**47,166**			**$52,003,498**		**13,630**	**60,796**	**$67,068,467**

1 Lowest and highest prices are only reported when there are at least three purchasers. Very low prices may relate to extremely small parcels of fruit or fruit delivered that was over the contract amount or penalised for other reasons.

2 It is estimated that the non-response rate for Barossa Valley is 5%.

Barossa Valley

Historical Weighted Average Price vs tonnes crushed



Barossa Valley

Current plantings by variety and year planted

Variety	Current area in hectares * Pre-2007	2007	2008	2009	Total area	% planted in 2009
Red winegrapes						
Cabernet Franc	33	0	0	0	33	*0%*
Cabernet Sauvignon	1,395	19	21	9	1,445	*1%*
Durif (Petite Sirah)	11	4	4	0	19	*1%*
Grenache	711	0	3	2	716	*0%*
Malbec	21	0	0	0	21	*0%*
Mataro (Mourvedre)	182	7	11	4	203	*2%*
Merlot	404	3	0	1	409	*0%*
Other red	54	5	5	7	71	*9%*
Petit Verdot	29	0	0	0	29	*0%*
Pinot Noir	54	1	0	0	55	*0%*
Sangiovese	21	0	0	0	21	*0%*
Shiraz	5,581	244	185	64	6,074	*1%*
Tempranillo	46	3	5	16	71	*23%*
Zinfandel	13	1	0	0	14	*0%*
Total red varieties	**8,554**	**287**	**234**	**103**	**9,179**	***1%***
White winegrapes						
Chardonnay	611	2	2	4	620	*1%*
Chenin Blanc	27	0	1	0	27	*0%*
Marsanne	7	0	2	0	10	*2%*
Muscadelle (Tokay)	19	0	0	0	19	*0%*
Muscat A Petit Grains Blanc	44	0	5	5	54	*10%*
Other white	50	1	4	2	57	*4%*
Pedro Ximenes	10	0	0	0	11	*0%*
Pinot Gris	5	0	0	3	8	*38%*
Riesling	372	0	0	1	374	*0%*
Sauvignon Blanc	111	5	9	5	131	*4%*
Savagnin Blanc	1	5	5	0	11	*0%*
Semillon	585	0	0	0	585	*0%*
Vermentino	0	0	0	3	4	*89%*
Viognier	75	10	4	0	89	*0%*
Total white varieties	**1,917**	**24**	**33**	**24**	**1,998**	***1%***
Unknown variety	36	0	0	0	36	*1%*
Total all varieties	**10,506**	**311**	**267**	**128**	**11,213**	***1%***

**Includes plantings in Barossa Zone - other (232 hectares)*

Barossa Valley

Estimated supply and committed intake 2011 - 2015

Variety	2011 Est Supply [1]	2011 Committed intake[2] Winery grapes	2011 Committed intake[2] Contract purchases	2011 Committed intake[2] Total committed intake	2013 Est Supply [1]	2013 Committed intake[2] Winery grapes	2013 Committed intake[2] Contract purchases	2013 Committed intake[2] Total committed intake	2015 Est Supply [1]	2015 Committed intake[2] Winery grapes	2015 Committed intake[2] Contract purchases	2015 Committed intake[2] Total committed intake
Red winegrapes												
Barbera	0	10	0	10	0	10	0	10	0	10	0	10
Cabernet Franc	261	71	177	249	261	71	107	178	261	71	107	178
Cabernet Sauvignon	7,096	3,472	4,970	8,442	7,170	2,216	3,888	6,104	7,170	2,205	3,559	5,763
Carignan	0	0	16	16	0	0	20	20	0	0	20	20
Grenache	4,277	680	2,913	3,593	4,285	709	2,161	2,869	4,285	714	1,682	2,396
Malbec	123	46	87	133	123	46	72	119	123	46	72	119
Mataro	1,155	458	541	999	1,191	484	363	847	1,191	483	373	856
Merlot	2,438	643	2,397	3,040	2,447	659	1,732	2,390	2,447	659	1,590	2,249
Muscat a Petit Grains Rouge / Rose	0	0	7	7	0	0	7	7	0	0	7	7
Nebbiolo	0	17	0	17	0	17	0	17	0	17	0	17
Other Red	454	36	211	247	502	42	227	269	502	137	227	364
Petit Verdot	173	29	156	186	173	29	103	132	173	29	103	132
Pinot Noir	489	84	352	437	492	84	229	313	492	84	220	305
Sangiovese	166	29	147	176	166	21	147	168	166	35	131	166
Shiraz	35,063	7,634	23,614	31,248	35,916	7,873	19,557	27,430	35,916	8,485	16,463	24,948
Tempranillo	405	23	238	261	487	26	278	304	487	243	285	529
Touriga	0	3	0	3	0	3	0	3	0	3	0	3
Zinfandel	111	26	23	49	113	26	23	49	113	26	23	49
Total red winegrapes	**52,213**	**13,262**	**35,849**	**49,111**	**53,328**	**12,316**	**28,913**	**41,229**	**53,328**	**13,248**	**24,863**	**38,111**
White winegrapes												
Chardonnay	5,526	1,225	3,280	4,505	5,553	1,230	2,366	3,597	5,553	1,325	2,185	3,509
Chenin Blanc	353	4	233	237	355	4	146	150	355	4	146	150
Doradillo	0	5	0	5	0	5	0	5	0	5	0	5
Marsanne	66	21	4	25	71	22	4	26	71	22	4	26
Muscadelle	151	5	25	30	151	5	25	30	151	5	25	30
Muscat a Petit Grains Blanc	368	110	239	349	397	194	296	490	397	236	307	543
Muscat Gordo Blanco	0	10	21	31	0	10	21	31	0	10	21	31
Other White	345	31	55	86	396	43	86	129	396	94	96	191
Palomino	125	21	17	38	125	21	17	38	125	21	17	38
Pedro Ximenes	84	24	10	35	85	24	10	35	85	24	10	35
Pinot Gris	39	0	47	47	51	0	20	20	51	0	20	20
Riesling	3,352	910	1,480	2,390	3,358	845	1,021	1,866	3,358	704	1,021	1,724
Roussanne	0	26	16	42	0	27	16	43	0	27	16	43
Sauvignon Blanc	1,671	172	984	1,156	1,753	130	1,065	1,195	1,753	67	893	960
Semillon	7,016	463	4,067	4,530	7,017	463	2,761	3,223	7,017	475	2,521	2,997
Traminer	0	0	67	67	0	0	44	44	0	0	44	44
Trebbiano	0	3	0	3	0	0	0	0	0	0	0	0
Verdelho	0	0	16	16	0	0	0	0	0	0	0	0
Viognier	673	105	533	638	705	106	477	583	705	106	425	531
Total white winegrapes	**19,771**	**3,137**	**11,094**	**14,231**	**20,017**	**3,131**	**8,374**	**11,505**	**20,017**	**3,127**	**7,751**	**10,878**
All winegrapes	**71,983**	**16,399**	**46,943**	**63,342**	**73,345**	**15,447**	**37,287**	**52,734**	**73,345**	**16,374**	**32,614**	**48,989**

[1] *Supply forecast produced by PGIBSA based on the South Australian vineyard register*

[2] *A raising factor of 1.05 has been applied to committed intake to allow for non-respondents*