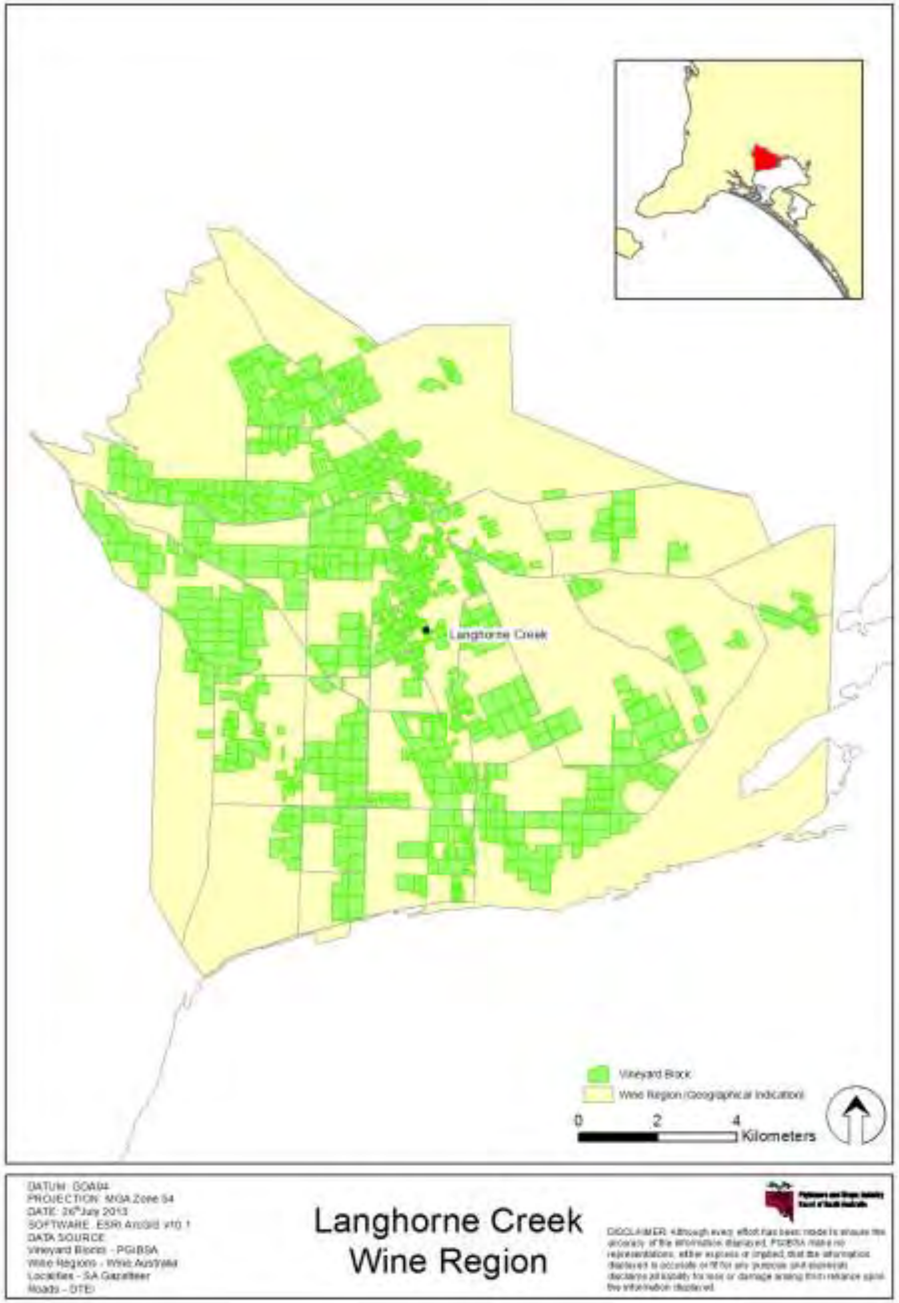


SA Winegrape Crush Survey

Regional Summary Report - 2014

Langhorne Creek Wine Region

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 and committed intake

The estimated supply and committed intake report has been removed from the 2014 Winegrape Crush Survey. It has been identified that the methodology used to determine the estimated supply requires review.

To assist industry stakeholders gain an understanding of state and regional estimated supply, the last 5 years actual total tonnes crushed at the state level and each region has been averaged. A range is then provided using the highest and lowest figures from the actual tonnes crushed.

The estimated committed intake is the amount of fruit that wineries are already committed to take in, for 2015. 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 cont.

PLANTING DATA

Derivation of planting data tables

Planting data is **not** derived from the 2014 South Australian Crush 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 2014 and include all plantings from the 2013 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 2013 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 zero (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.

Langhorne Creek

Vintage overview

Vintage report

Last year Langhorne Creek saw an early Easter, early vintage. This year, true to form the region has experienced a late Easter, late vintage.

The first harvesters rattled into life in the closing hours of the month of January to begin the sparkling base intake from the region and the final loads reached the winery in late April.

It has certainly been a case of weathering the vagaries of Mother Nature this year with our resilient growers battling wind, a sporadic frost event, heat and heavy rain to deliver some outstanding fruit to wineries. The conditions led to a long flowering period and variable fruit set which, followed by some very hot days and then rain in February, left everyone a bit nervous. However, reminiscent of vintages not seen since the early 2000s, ultimately some fantastic slow ripening days has produced one of the most relaxed vintages experienced in Langhorne Creek for many years.

Langhorne Creek experienced a good winter and early rainfall in the Adelaide Hills even sent some welcome traditional floods through the region around mid-winter providing deep soil moisture in these areas. A hot summer was tempered by reliable cooling breezes from Lake Alexandrina which are always welcome to help maintain some natural acidity in fruit. Cool mornings allowed processing of most of the white grape harvest while retaining good juice quality.

Langhorne Creek is naturally a lower rainfall area and fortunately the region was spared much of the pain of the February deluge experienced across the state with ‘only’ 30-40mm received and this also signaled the beginning of a pattern of cooler daytime temperatures which allowed fruit to finish ripening during some relatively moderate temperatures. The moisture boost also fortunately helped improve fruit balance and crop levels for the district. Though variable the region expects to achieve an average total vintage tonnage across the district, a relief from previous pessimistic estimates subsequent to the variable flowering period early in the season.

Verdelho is looking very smart this year along with some standout Shiraz and, though in low quantities, superb Malbec but its Cabernet Sauvignon that has tongues wagging. Bleasdale winemaker Paul Hotker is very excited about the “seriously outstanding” Cabernet in the district this year expressing “low Baume and fantastic flavor”. Warren Burgess from First Pick Viticulture agrees “it’s a winemakers dream”. Many in the district are touting this year’s Cabernet as the best they have seen.

This certainly bodes well for Langhorne Creek in 2014, a year of very smart whites and fantastic reds with great flavor, moderate alcohol and loads of drinkability.

Lian Jaensch
Langhorne Creek Wine Industry Council

Overview of vintage statistics

The harvest from the Langhorne Creek region was 48,639 tonnes in 2014, up by 1,709 tonnes (3.6%) on the 2013 harvest of 46,930 tonnes. There was an estimated non-response rate of 4.5% across the region. The total value of grapes from the region decreased from $38.7 million to $37.2 million. The average purchase price of the major red varieties decreased – Shiraz down by $75 per tonne to $901 per tonne; Cabernet Sauvignon down by $122 per tonne to $767 per tonne and Merlot down by $117 per tonne to $665 per tonne. Of the white varieties – Chardonnay decreased slightly by $26 per tonne to $490 per tonne, whilst Riesling increased by $14 per tonne to $550 per tonne.

There were 26 hectares of new plantings in Langhorne Creek in spring 2013 (including top-working and replacements) compared with 33 hectares planted in 2012. Of the new plantings, Cabernet Sauvignon accounted for 50%, with Shiraz accounting for 38.5%. The total planted area of vines has decreased by 12 hectares to 5,883 hectares.

Over the last 5 years, the average Langhorne Creek production was 45,603 tonnes, with a low of 39,546 tonnes in 2011 and a high of 48,651 tonnes in 2012. The 2014 crush is up by 6.2% against the last 5 year average. For 2015, the estimated committed intake is 42,858 tonnes.

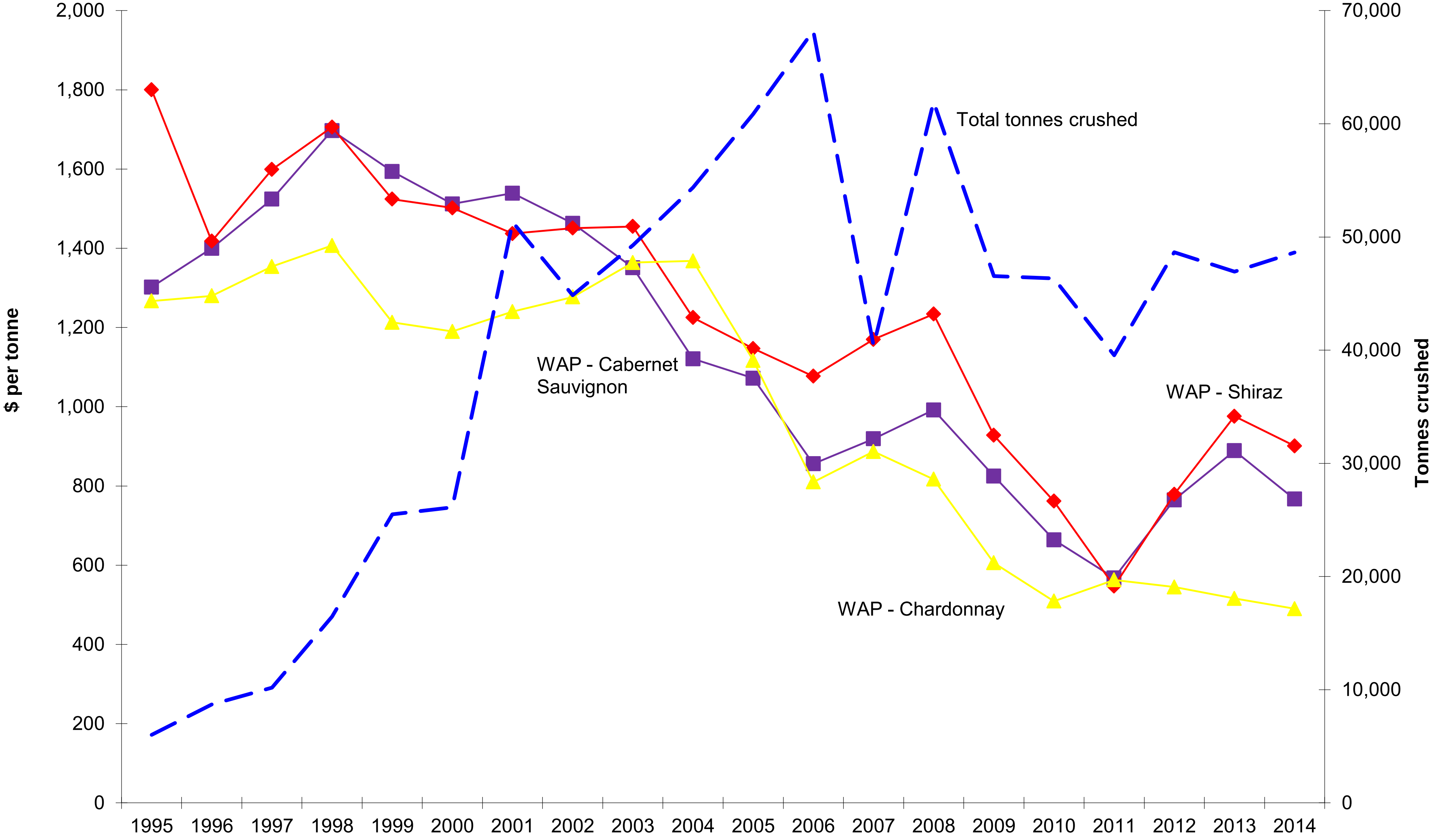
Langhorne Creek Winegrape intake summary - vintage 2014

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								
Cabernet Franc	12			$8,850	$753	4	16	$11,712
Cabernet Sauvignon	9,735	$320	$2,700	$7,464,329	$767	5,410	15,145	$11,612,446
Grenache	40			$22,000	$550	982	1,022	$561,880
Malbec	281	$600	$1,500	$303,561	$1,081	90	371	$400,565
Mataro	40	$1,000	$1,400	$41,942	$1,057	20	60	$63,077
Merlot	2,475	$400	$1,100	$1,647,071	$665	2,054	4,529	$3,013,690
Other red	131	$600	$1,400	$119,580	$912	31	162	$147,254
Petit Verdot	22			$19,800	$900	46	68	$61,029
Pinot Noir	728	$550	$850	$523,684	$720	166	893	$642,977
Sangiovese	45			$31,451	$699	0	45	$31,451
Shiraz	10,381	$425	$2,700	$9,356,446	$901	7,134	17,514	$15,786,485
Tempranillo	3			$4,200	$1,400	2	5	$7,000
Touriga	15			$12,152	$800	0	15	$12,152
Total Red winegrapes	**23,907**			**$19,555,065**		**15,937**	**39,844**	**$32,351,720**
WHITE								
Chardonnay	4,426	$210	$850	$2,166,536	$490	903	5,329	$2,608,593
Other white	60	$1,000	$1,800	$65,360	$1,095	306	366	$246,279
Pinot Gris	359	$750	$1,100	$320,390	$893	48	407	$363,322
Riesling	393			$216,238	$550	1,067	1,460	$803,327
Sauvignon Blanc	550	$700	$800	$399,192	$726	238	788	$572,009
Verdelho	181			$108,681	$601	88	268	$161,290
Viognier	171	$300	$1,000	$77,946	$457	7	177	$80,932
Total White winegrapes	**6,139**			**$3,354,343**		**2,656**	**8,795**	**$4,835,751**
Grand Total All winegrapes	**30,046**			**$22,909,408**		**18,593**	**48,639**	**$37,187,470**

1 Lowest and highest prices are only reported when there are at least three purchasers. Very low or high 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 Langhorne Creek is 4.5%.

Langhorne Creek **Historical Weighted Average Price vs tonnes crushed**



Langhorne Creek   Current plantings by variety and year planted

	Current area in hectares					
Variety	*Pre-2011*	*2011*	*2012*	*2013*	*Total area*	*% planted in 2013*
Red winegrapes						
Cabernet Franc	14	0	0	0	14	*0%*
Cabernet Sauvignon	1,824	7	13	13	1,858	*1%*
Dolcetto	13	0	0	0	13	*0%*
Grenache	120	0	0	0	120	*0%*
Lagrein	10	0	0	0	10	*0%*
Malbec	48	8	6	2	64	*3%*
Merlot	379	0	4	0	383	*0%*
Nebbiolo	13	0	0	0	13	*0%*
Other Red	133	0	0	1	133	*0%*
Petit Verdot	24	0	0	0	24	*0%*
Sangiovese	34	0	0	0	34	*0%*
Shiraz	2,126	7	20	10	2,162	*0%*
Total red varieties	**4,738**	**22**	**43**	**26**	**4,829**	***1%***
White winegrapes						
Chardonnay	621	0	0	0	621	*0%*
Other White	17	0	2	0	19	*0%*
Pinot Gris	41	0	0	0	41	*0%*
Riesling	166	0	0	0	166	*0%*
Sauvignon Blanc	65	0	0	0	65	*0%*
Traminer (Gewurztraminer)	15	0	0	0	15	*0%*
Verdelho	45	0	0	0	45	*0%*
Viognier	26	0	0	0	26	*0%*
Total white varieties	**996**	**0**	**2**	**0**	**998**	***0%***
Rootstock Block	6	0	0	0	6	*0%*
Unknown variety	50	0	0	0	50	*0%*
Total all varieties	**5,790**	**23**	**45**	**26**	**5,883**	***0%***