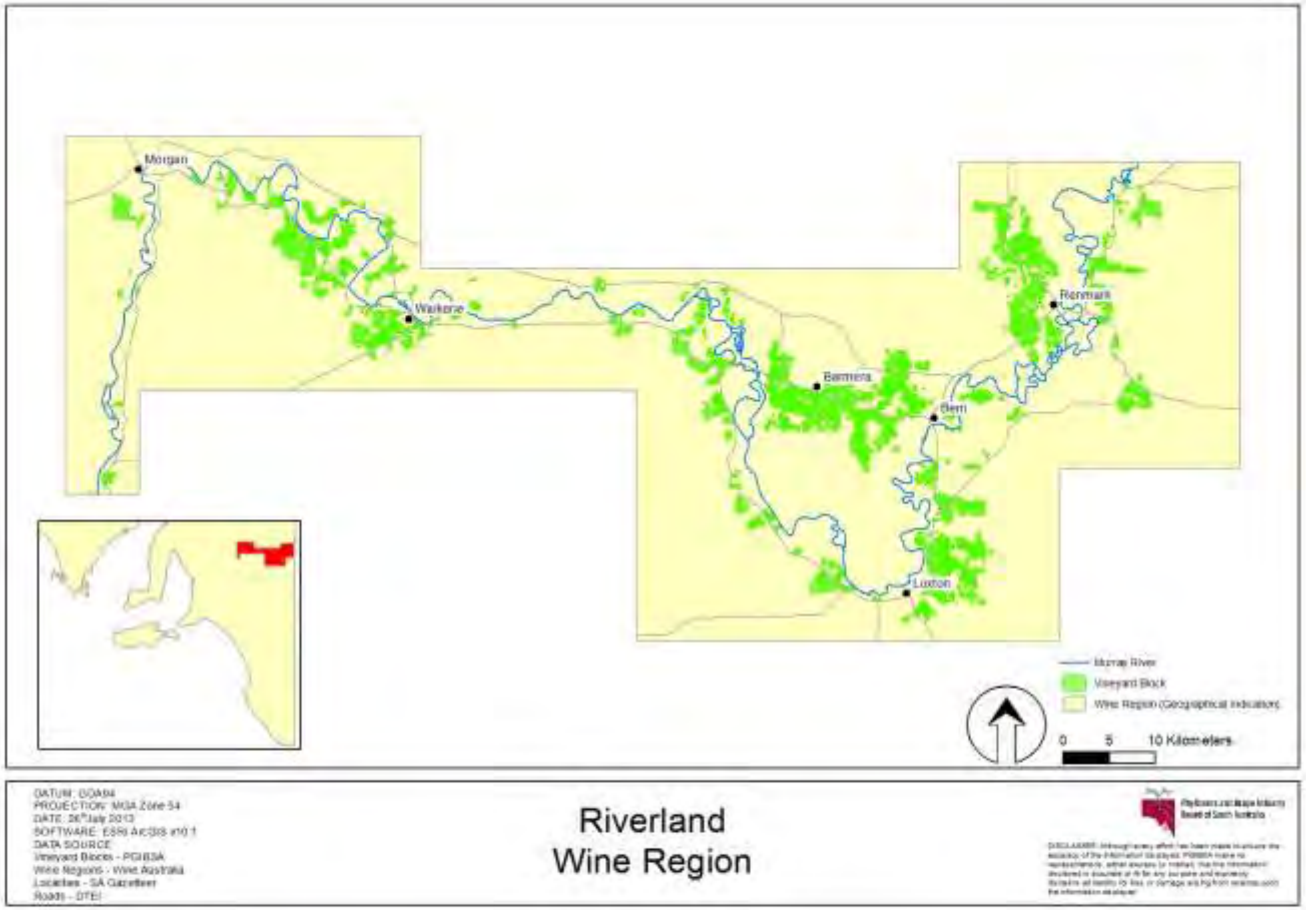
SA Winegrape Crush Survey

Regional Summary Report - 2014

Riverland 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.

Riverland

Vintage overview

Vintage report

The growing season began early in the Riverland with bud burst up to a week earlier than the previous year. The first of the season's challenges was not far away with several frost events in mid to late October. Damage was widespread and ranged from burnt shoot tips through to significant crop loss depending on the location.

Flowering and fruit set were hit with more wind than usual in the Riverland as in other areas. The end result of this was a fragmented fruit set with bunches on individual vines at varying growth stages. The persistent winds also lead to some powdery mildew pressure. Some growers were caught out with poor spray coverage early due to the wind, and others let the duration between applications get to long because of limited opportunities for spraying.

Two other events worth noting were the fruit fly outbreak in Loxton and Pyap, and a hail storm in the Loxton area. The hail caused defoliation to some vines early and reduced yields. The net result of the fruit fly outbreak was that growers in the affected zone had to tarp loads of fruit.

Harvest began in the midst of an extended heat wave. The heat wave broke in mid-February to wide spread rain across all parts of the region. Total falls ranged from 50 to 100mm. The rain had some impact on the harvest. There was some loss of fruit due to bunch rot however because there was little follow up rain damage was not extensive. The rain also had a positive impact in that it delayed the harvest by up to a week and gave fruit more time for flavour development.

Yields for 2014 were generally up. Shiraz, Cabernet Sauvignon, Chardonnay and Gordo were all above average. The larger volumes meant that harvest was extended a bit more than usual as wineries worked to fit fruit in. Despite all the challenges of the season quality was also pleasing.

Ashley Chabrel
Phylloxera and Grape Industry Board

Overview of vintage statistics

The harvest from the Riverland region was 436,378 tonnes in 2014, significantly up by 40,179 (10.1%) on the 2013 harvest on 396,199 tonnes. There was an estimated non-response rate of 0.1% across the region. The total value of purchased grapes decreased from $137.3 million to $126.9 million. The average purchase values for all varieties decreased – with Shiraz down by $55 per tonne to $341 per tonne and Cabernet Sauvignon down by $57 per tonne to $345 per tonne. Of the white varieties – Chardonnay is down by $73 per tonne to $218 per tonne, Muscat Gordo Blanco down by $100 per tonne to $281 per tonne and Colombard down by $34 per tonne to $196 per tonne.

There were 101 hectares of new plantings in the Riverland in spring 2013 (including top-working and replacements) compared with 129 hectares in 2012. Of the new plantings, Shiraz accounted for 36.6%, with Cabernet Sauvignon 26.7% and Muscat Gordo Blanco 4%. The total area planted to vines in the Riverland decreased by 28 hectares to 20,575 hectares, compared with an increase of 58 hectares in 2012.

Over the last 5 years, the average Riverland production was 384,281 tonnes, with a low of 333,600 tonnes in 2010 and a high of 411,529 tonnes in 2012. The 2014 crush is up by 11.9% against the last 5 year average. For 2015, the estimated committed intake is 380,996 tonnes.

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	3			$702	$234	19	22	$5,171
Cabernet Sauvignon	50,449	$210	$1,000	$17,418,644	$345	13,111	63,560	$21,945,532
Grenache	4,446	$170	$1,000	$1,208,182	$272	820	5,265	$1,430,931
Malbec	207			$55,726	$269	110	317	$85,384
Mataro	2,247	$170	$450	$654,316	$291	4	2,251	$655,589
Merlot	18,105	$230	$510	$6,082,531	$336	6,205	24,310	$8,167,252
Other red	661	$198	$1,000	$291,260	$441	311	972	$425,176
Petit Verdot	7,030	$170	$600	$2,038,312	$290	3,734	10,764	$3,121,035
Pinot Noir	6,420	$300	$450	$2,393,715	$373	1,038	7,458	$2,780,918
Ruby Cabernet	758	$170	$300	$174,964	$231	801	1,559	$359,928
Sangiovese	61			$12,133	$198	276	338	$66,867
Shiraz	91,217	$200	$1,000	$31,091,625	$341	21,616	112,834	$38,459,479
Tempranillo	329	$280	$600	$149,402	$455	186	514	$233,873
Touriga	56			$11,671	$207	93	149	$30,826
Zinfandel	2			$396	$198	0	2	$396
Total Red winegrapes	**181,991**			**$61,583,580**		**48,325**	**230,316**	**$77,768,357**

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 Riverland is 0.1%.

Winegrape intake summary - vintage 2014

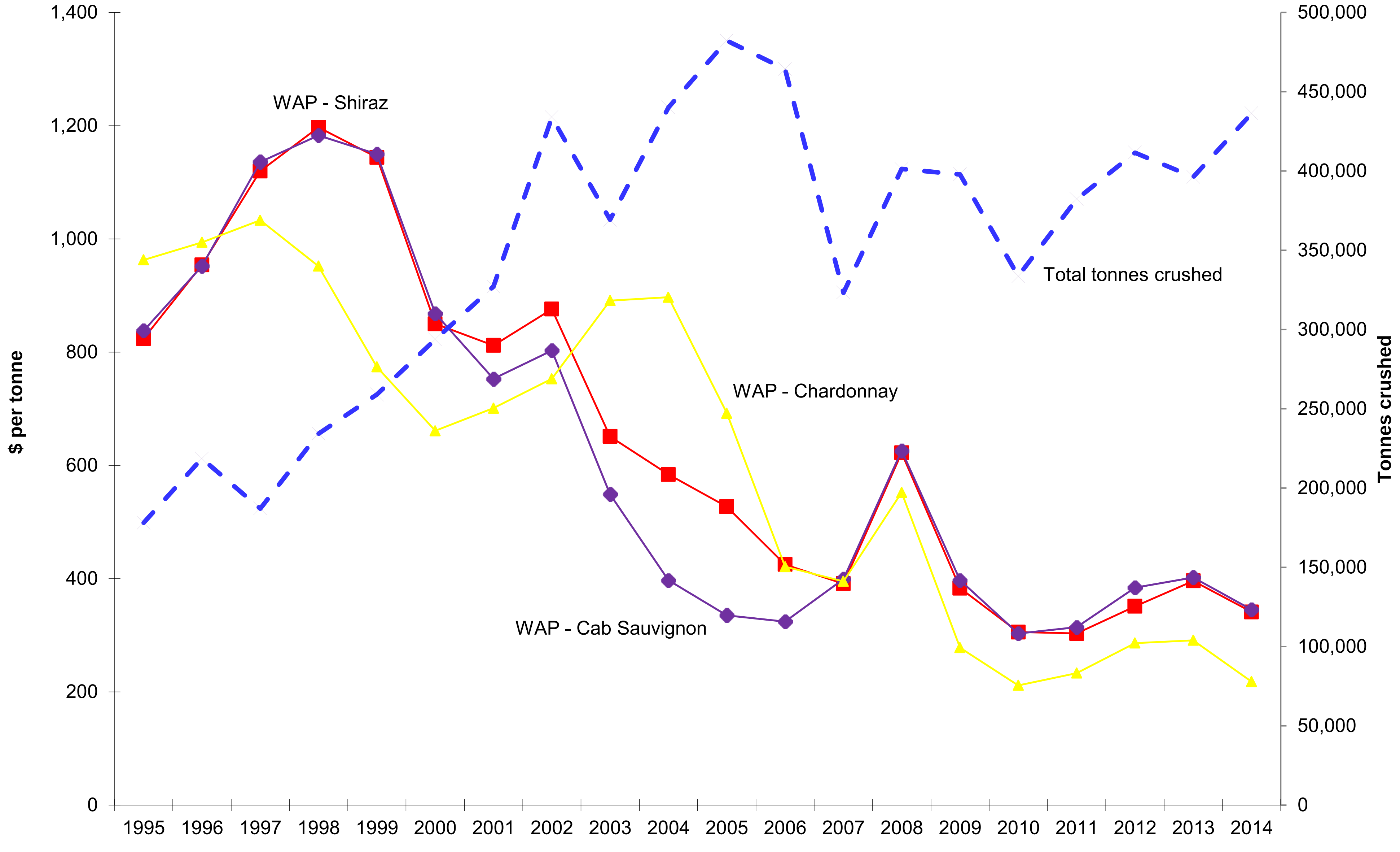
Variety	Tonnes purchased	Lowest price[1]	Highest price[1]	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
WHITE								
Chardonnay	95,330	$130	$800	$20,816,344	$218	8,581	103,911	$22,690,080
Chenin Blanc	1,783	$110	$350	$331,238	$186	0	1,783	$331,238
Colombard	23,608	$110	$270	$4,638,005	$196	3,182	26,789	$5,263,058
Crouchen	20			$3,511	$173	76	97	$16,686
Doradillo	87			$17,254	$198	980	1,067	$211,355
Marsanne	40			$5,169	$130	0	40	$5,169
Muscat A Petit Grains Blanc	3,716	$250	$550	$1,137,836	$306	818	4,534	$1,388,438
Muscat Gordo Blanco	25,033	$125	$500	$7,023,764	$281	3,129	28,161	$7,901,606
Other white	1,101	$135	$750	$426,082	$387	654	1,755	$670,610
Pinot Gris	1,411	$300	$500	$629,063	$446	455	1,866	$831,670
Riesling	2,075			$636,891	$307	896	2,971	$911,927
Sauvignon Blanc	12,844	$130	$380	$3,761,622	$293	3,744	16,588	$4,858,201
Semillon	4,905	$130	$446	$1,084,104	$221	4,703	9,608	$2,123,527
Sultana	200			$38,019	$190	0	200	$38,019
Taminga	14			$2,964	$207	0	14	$2,964
Traminer	1,856			$550,496	$297	825	2,681	$795,349
Verdelho	1,643	$130	$350	$340,780	$207	55	1,698	$352,178
Viognier	1,743	$135	$870	$571,633	$328	553	2,296	$753,006
Total White winegrapes	**177,410**			**$42,014,773**		**28,651**	**206,061**	**$49,145,081**
Grand Total All winegrapes	**359,401**			**$103,598,354**		**76,977**	**436,378**	**$126,913,438**

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 Riverland is 0.1%.

Riverland

Historical Weighted Average Price vs tonnes crushed



Current plantings by variety and year planted

	Current area in hectares					
Variety	*Pre-2011*	*2011*	*2012*	*2013*	*Total area*	*% planted in 2013*
White winegrapes						
Chardonnay	4,588	4	14	1	4,608	*0%*
Chenin Blanc	92	0	0	0	92	*0%*
Colombard	807	0	0	0	807	*0%*
Doradillo	77	0	0	0	77	*0%*
Muscadelle (Tokay)	11	0	0	0	11	*0%*
Muscat A Petit Grains Blanc (White Frontignac	133	4	2	0	139	*0%*
Muscat Gordo Blanco	989	18	42	4	1,052	*0%*
Other White	67	5	0	1	82	*2%*
Pinot Gris	70	1	3	0	74	*0%*
Riesling	205	0	1	0	205	*0%*
Sauvignon Blanc	488	13	0	0	500	*0%*
Semillon	363	1	0	0	364	*0%*
Sultana	166	2	1	0	169	*0%*
Traminer (Gewurztraminer)	113	0	0	0	113	*0%*
Trebbiano	19	0	0	0	19	*0%*
Verdelho	108	0	0	0	109	*0%*
Vermentino	18	1	0	0	19	*0%*
Viognier	146	0	0	0	146	*0%*
Total white varieties	**8,462**	**49**	**64**	**6**	**8,580**	***0%***

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 Sauvignon	3,134	20	38	27	3,219	*1%*
Grenache	357	0	1	0	358	*0%*
Malbec	23	0	0	0	23	*0%*
Mataro (Mourvedre)	242	0	0	0	242	*0%*
Merlot	1,172	0	10	15	1,197	*1%*
Other Red	60	2	4	2	68	*2%*
Petit Verdot	500	0	12	0	512	*0%*
Pinot Noir	291	9	1	0	301	*0%*
Rubired	12	0	12	14	38	*37%*
Ruby Cabernet	142	0	0	0	142	*0%*
Sangiovese	15	0	1	0	16	*0%*
Shiraz	5,361	20	21	37	5,439	*1%*
Tempranillo	38	0	0	0	38	*0%*
Total red varieties	**11,347**	**52**	**100**	**95**	**11,593**	***1%***
Unknown variety	217	0	0	0	217	*0%*
Rootstock Block	23	0	2	0	25	*0%*
Table grapes - red	40	0	0	0	41	*1%*
Table grapes - white	22	1	2	0	25	*0%*
Multi-purpose red	66	0	0	0	66	*0%*
Multi-purpose white	28	0	1	0	29	*0%*
Total all varieties	**20,203**	**102**	**169**	**101**	**20,575**	***0%***