

Wine Victoria Annual Report

2021 - 2022



WINE VICTORIA
AUSTRALIA

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Chair's Message

Whilst we have continued to experience challenges throughout 2022, we have welcomed the return of tourism to the regions and hospitality venues returning to a level of normality. Increasing costs, logistical challenges, rising inflation and staff shortages are being experienced around the country and having a significant impact on our industry.

At the end of 2021, the Victorian Wine industry provided an economic contribution of \$6.2 billion and directly employed 6,950 people. We have over 2,951 grape growers and 651 producers with a total crush of 338,834 tonnes from plantings of 22,152 hectares. Whilst our tourism visitation was down the wine industry was responsible for 1.94 million winery visits across Victoria with a \$1.1 billion contribution to regional expenditure.

Throughout 2022 we have been providing a singular vision and voice for the Victorian wine industry to government and industry associations, reflecting the strong role that we contribute to the Victorian economy and national wine scene. We have continued to develop the strategic policy positions for the Victorian wine industry so that we can ensure we have an operating environment that is supportive of a strong industry and the priorities we require for future growth.

We commenced a strategic review in 2022, listening, meeting and surveying our members to ensure that the newly created six key priority areas of Wine Victoria align with the needs and goals of the Victorian Wine industry.

I commenced my role as Chair in November 2022 and would like to acknowledge the significant contribution of the outgoing Chair Angie Bradbury and outgoing board members Eliza Brown and Rob Cairns. I would also like to acknowledge the valuable contributions of my fellow Board Directors and thank them for their contributions over the past year. As we managed our way out of the pandemic, each of them has exhibited an incredible commitment to Wine Victoria and to the needs of the broader industry. I'm very grateful for the support they have shown to me as the incoming Chair and have enjoyed working with such a diverse and passionate group of wine industry professionals.

The Wine Victoria staff, under the leadership and guidance of CEO Natalie O'Brien (who commenced in May 2022) have worked tirelessly for our industry and our members throughout the pandemic and during the past year. On behalf of all our members I want to also thank the entire Wine Victoria team: Richard Howden, Megan De Jong and Rachel Sweeney (who left in April 22) and congratulate them on their efforts.

We have many important programs that we are rolling out for the industry in FY23 that align with our members key priorities. We see our role as the leading voice for the sector and as a conduit to develop partnerships that leverage and maximise value for our members so that we have a strong, profitable and future focused industry.

Stephanie Duboudin
Chair, Wine Victoria

Stephanie Duboudin



Wine Victoria's Operating Report

ADVOCACY

Support from the Victorian Government will ensure the industry can thrive – programs and policy advocacy outlined in this submission are intended to ensure our industry is competitive, growing the volume and value in our exports while ensuring employment in regional areas continues to grow.

These programs are:

FUNDING PROGRAMS

- Growing Victorian Wine into the Future 2022 – 2026. Building out the strategy
- Bio Security program implementation
- Victoria's Global Priority Markets. US Strategy -roll out
- Secured Next Crop Leadership funding
- Drink Victoria Program

POLICY ADVOCACY

- Recycling and Container Deposit Scheme (CDS)
- Victorian Liquor Subsidy (VLS)
- Wine and Health
- Major Events – Local Content Policy



Wine Victoria's Director's Report

The Directors present this report on Wine Victoria, the Company, for the financial year ended 30 June 2022.

INFORMATION ON DIRECTORS

The names of the Directors in office at any time during, or since the end of, the financial year are:	
NAME	BOARD POSITION
Stephanie Duboudin	Board Chair, Strategy
Matthew Fowles	Trade Sub-Committee Chair, US Market Lead
Ashley Spencer	Secretary, Governance & Legal
Hayley Purbrick	Treasurer, Finance & Commercial
Kim Chalmers	Grower Representative, Technical Sub-Committee, Chair
Nikki Palun	Asia Market Lead
Dan Buckle	Technical Expertise
Dan Sims	Marketing
Mel O'Neil	AGW & Policy

DIRECTORS' MEETINGS

During the year 2022 Directors' meetings were held. Attendances were as follows:		
NAME	ELIGIBLE MEETINGS	NUMBER ATTENDED
Stephanie Duboudin	6	6
Matthew Fowles	6	5
Ashley Spencer	6	6
Hayley Purbrick	6	5
Kim Chalmers	6	5
Nikki Palun	6	6
Dan Buckle	6	6
Dan Sims	6	6
Mel O'Neil	6	1

About Wine Victoria

VISION

Our shared vision for the future is for a sustainable, cohesive and resilient Victorian Wine industry which is nationally and globally recognised.

MISSION

Wine Victoria is the peak body representing the Victorian wine industry. We advocate on behalf of the wine industry ensuring our members remain a high priority with the Victorian Government and our national governing bodies.

Wine Victoria's Key Priority Areas

Wine Victoria has six priority areas of focus that drive our efforts on behalf of our members and influence our strategic direction. These key priorities were formulated following extensive industry engagement and consultation in 2022.

WINE VICTORIA'S KEY PRIORITIES ON BEHALF OF INDUSTRY	
Advocacy	Provide a singular vision and voice for the Victorian wine industry to government and industry associations. Develop the strategic policy positions for the Victorian wine industry.
Communication	Be a key source of information source for issues and opportunities that impact and influence our industry.
Collaboration	Collaborate with key stakeholders across government, regional associations, national industry bodies, and other appropriate wine industry or associated organisations to provide maximum value for the Victorian wine industry.
Capability and Leadership	Leverage opportunities to grow and develop the capabilities of the people that work within our industry.
Viticulture and Winemaking	Supporting Victorian growers and wine makers to operate as efficiently as possible with best practice principles and future focused outcomes. Focused on research, strategy and training that will improve quality, productivity, sustainable practices, climate change adaption and profitability over the long term.
Trade	We seek out and enhance opportunities for the industry to improve profitability.



Wine Victoria Activities

Throughout the year Wine Victoria ran the following programs:

BUSHFIRE TECHNICAL RESPONSE PROGRAM

The Wine Victoria Bushfire Technical Response Program delivered a package of technical support activities for Victorian wine industry participants affected by exposure to bushfire smoke during the 2019-20 growing season. The department of Agriculture provided the \$990,000 funding for the program. AWRI was the delivery partner and Wine Network Consulting delivered the ERP.

Activities the program delivered included:

- Winemaking remediation trials with industry partners
- Sensory tasting panels
- Regional smoke taint sensory workshops
- Winemaking benchmarking test kits
- Establishment of control values
- Linking smoke exposure analysis to the sensory impact in wines
- Cross validation between different analytical labs
- Debriefing session with industry
- Winemaking remediation trials educational workshops
- Emergency Response Plan

ECONOMIC STATE SCORE

Coronavirus (COVID-19) has had a significant impact on the Victorian wine industry. To better understand the impact of COVID-19, and to inform future planning and marketing for the industry, With the support of Wine Australia, Wine Victoria engaged RMCG to develop an industry 'score card'. This score card provided industry, government, and other relevant stakeholders with a better understanding of the current performance of the Victorian wine industry, and the economic benefits of the industry to Victoria.

Activities the program delivered included:

- Comprehensive Victorian Wine industry scorecard and report
- Victorian Wine industry fact sheet on key economic statistics from economic and tourism contribution, employment, plantings, crush and export market information.
- Five individual fact sheets (each of the five pillars) on key economic statistics from economic and tourism contribution, employment, plantings, crush and export market information.

DRINK VICTORIA PROGRAM

A \$1.5 million pilot program developed by the Victorian Drinks Alliance (Wine Victoria, Independent Brewers Association, Cide Australia, Spirits Victoria and Food and Drink Victoria) jointly funded by Agriculture Victoria and Global Victoria. A comprehensive marketing, communication and education strategy is supporting the program.



Activities the program delivered included:

- One hundred metropolitan Melbourne hospitality and retail venues working with the program to increase their Victorian drinks offerings and promotions, with a meaningful and socially responsible Victorian drinks target agreed for each venue.
- Victorian drinks promoted to consumers through events including the Melbourne Food and Wine Festival and in-venue promotion, raising awareness of the diversity and quality, and building demand for Victorian drinks.
- Regional visits to a range of winemakers, brewers and distillers will educate venue owners and staff about the quality and diversity of Victorian beverages.
- A comprehensive marketing, communication and education strategy is supporting the program.



Wine Victoria Activities

NEXT CROP LEADERSHIP PROGRAM

Wine Victoria delivered the first Next Crop leadership program to 28 participants from Central Victoria with the support of Wine Australia. Next Crop is a biennial regionally-based professional and personal development program for emerging leaders who want to understand their leadership capacity and gain exposure to concepts of leadership. The aim is to build confidence within individuals and to provide a development opportunity that will keep the future generation engaged and committed to the region and their career in the grape and wine sector. The program was delivered by Jill Briggs of Affectus.



BIOSECURITY PROGRAM

Agriculture Victoria engaged the services of Wine Victoria to deliver a farm gate biosecurity program targeting wine grape growers located within close geographic proximity to phylloxera “affected” areas which will see greater adoption of standard farm gate biosecurity kits including foot baths, biosecurity signage and simple protocols that managers can follow to increase their awareness of risk pathways.

The objectives of the program were to:

- Improve adoption of farm gate biosecurity measures through the distribution of footwear disinfestation kits and standardised instructional signage to wine grape producers, via industry associations.
- Promote a consistent minimum standard for the industry
- Create greater awareness and uptake of biosecurity across the entire supply chain
- Improve compliance across the industry with the latest farmgate disinfestation practices.

REGIONAL PROGRAM

The Regional program is a key initiative of Wine Australia that seeks to actively encourage and support innovation, extension, and adoption of R&D in the Australian wine sector.

The program aims to help grape growers and winemakers adopt new tools and research findings to support a competitive Australian wine sector. The program has been running for six years and Wine Victoria’s delivery partner is AWRI.

Wine Victoria delivered the regional program with a focus on understanding the impacts of climate change (e.g. sustainable production and smoke taint), pest and disease and biosecurity threats, premiumisation and best management practices. It also addresses alternative business modes with different route-to-market opportunities. The Greater Victoria Regional Program Annual Operating plan focuses on:

The Greater Victoria Regional Program Annual Operating plan focuses on:

- Sustainable Winegrowing Australia regional workshops
- Evaluating and communicating winemaking potential of selected rootstocks from Mornington Peninsula Pinot Noir rootstock trials
- Managing the real and perceived risks of smoke taint
- Building resilience to drought and a water constrained future, and
- The adoption of alternative approaches to pruning for minimising trunk disease impacts and maximising longevity of grapevines (soft pruning).



Wine Victoria Activities



WINES OF THE WORLD

Wines of the World is funding support from Global Victoria for the Victorian wine industry.

US Market Development Program

The US Market Strategy was completed in April 2021. The strategy was commissioned to provide a practical and fully costed roadmap for the delivery of the wine industries South-X-South East Export strategy.

The South-X-South East Export strategy aims to target an increase of premium Victorian wine sales (exports) in the South and South-East states of the United States of America (US). The strategy outlines a plan for growing the 'on-trade' market and working in collaboration with the food and beverage sectors in these states.

In June 2021, Wine Victoria received confirmation that the US Market Strategy Phase one and two were approved with a funding commitment of \$2.2 million. As part of the Wines of the World funding Wine Victoria received a funding commitment from Global Victoria for \$750,000 to run symposiums and seminars across the industry for FY23.

UK TRADE ACTIVITY – UNLOCK VICTORIA CAMPAIGN

The task:

- Increase and raise the profile of Victorian wine with the UK trade, and more specifically, create interest and awareness of Wine Victoria's activities at the London Wine Fair.

The objectives of the program were to:

- Drive awareness of Victorian wines within the UK trade to amplify Wine Victoria's attendance at the London Wine Fair.
- Of secondary consideration supporting those wineries that are already represented in market, but not necessarily attending the London Wine Fair.

Key outputs:

- An increase in the profile of Victorian wines within the UK trade.
- Buyer, distributor, and influencer attendance to the Wine Victoria section of the Unearthed showcase at the London Wine Fair.
- Support for wineries already represented in market.



Acknowledgments

Wine Victoria acknowledges the support of all members who participated in our Roundtables, events, and surveys, or who otherwise volunteered their time to assist with subcommittees. We particularly acknowledge the contribution of the Wine Victoria Board. The ongoing support and goodwill of individuals and organisations across our membership is greatly appreciated. We thank our members over the last twelve months for their support. Their contributions help us to continue to be a united and independent voice for the wine sector in Victoria.



Acknowledgments

BOARD OF DIRECTORS

Stephanie Duboudin - Board Chair, Strategy

Matthew Fowles - Trade Sub-Committee Chair, US Market Lead

Ashley Spencer - Secretary, Governance & Legal

Hayley Purbrick - Treasurer, Finance & Commercial

Kim Chalmers - Grower Representative, Technical Sub-Committee, Chair

Nikki Palun - Asia Market Lead

Dan Buckle - Technical Expertise

Dan Sims - Marketing

Mel O'Neil - AGW & Policy

TRADE COMMITTEE

Matt Fowles - Wine Vic board & Fowles Winery

Gordon Gebbie - The Rathbone Wine Group

Scott Austin - Austin's Wine

Stephanie Duboudin - Chair Wine Victoria

Paul Stagg - Executive Director Trade Global Victoria

Lenny Thom - Trade Manager Food & Fibre Global Victoria

Niki Palun - Trade Committee & Wine Industry Representation

Scott Burton - Trade Industry representative

Brendan Larkin - Market Engagement Manager Trade Victoria

Megan Hill - Policy Officer at Dept of Jobs, Precincts & Regions



Acknowledgments

VITICULTURE COMMITTEE

Kim Chalmers - Wine Victoria Board Representative, Chambers Wine Committee Chair

Dan Buckle - Wine Victoria Board Representative, Domaine Chandon

David Braybrook - VitiSolutions P/L

Tessa Brown - Vignerons Schmölder and Brown

Andy Clarke - The Dirt Dude Ag Advisors

Lucy Etheridge - Yarrowalla Vineyards

Matt Partridge - De Bortoli

Damien Sheehan - Mount Langhi Ghiran

Belinda Thomson - Crawford River Wines

Fiona Constable - Agriculture Victoria Res

AUSTRALIAN GRAPE & WINE – SMALLER WINERIES

Nikki Palun - Wine Victoria Board member, Octtava Wines

Rory Lane - The Story Wines

