



The United Grower

June 2010 Volume 5 Number 3

The newsletter of Wine Grape Growers' Australia

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Now more than ever, wineries must release indicative grape prices early



Mark McKenzie
Executive Director
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Wine Grape Growers' Australia is calling on the major wineries to release their indicative prices to growers as early as June or July at the latest, prior to the commencement of pruning, in a move that would acknowledge the extraordinarily difficult financial circumstances growers are currently facing ahead of the 2011 vintage.

Wineries have traditionally argued that mid-year is too early to be releasing winegrape prices for the forthcoming vintage. Consequently, the Australian Wine Industry Code of Conduct specifies that indicative prices be released by 15 December for inland regions and the Hunter Valley and by 15 January for all other zones.

However, WGGGA knows that all the major wine companies set their budgets for fruit purchases as early as May and certainly by June. Therefore, they broadly know how much money is available for purchasing fruit under their budget arrangements prior to the

start of a new season as well as the quantities they require of the major varieties in accordance with their projected inventories. In other words, there is no real impediment to the major companies advising growers of their indicative prices for the coming vintage in June or July.

Even if the only advice that wineries can give at that time is that there won't be any improvement in prices or additional contracts with growers, then that's the message they need to issue to growers. Given the extraordinary financial pressures that growers are currently suffering, WGGGA seriously questions the business ethics of allowing growers to prune, fertilise and begin to water crops for the coming vintage – in other words, apply around 80% of their cost inputs into producing another crop – without some indication of the prices that the crop is ultimately going to be worth.

We understand that wineries have resisted releasing indicative prices prior



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to the start of the season in favour of waiting until just prior to harvest to give themselves time to review the quality and quantity of the vintage. However, we are in extraordinary times and we know that there are many growers who do not want to apply the inputs to their grapes in the coming year unless they're going to be offered a contract with some improvement in prices. Furthermore, there are a significant number of growers who would leave the industry if they had the opportunity to do so, so they are going to be disinclined to commit to the coming vintage based on the sort of spot market prices evident this year. And, finally, given rising interest rates, it is clear that banks are restricting working capital credit to some growers which will dramatically and materially affect their ability to produce commercial-sized crops and further undermine their viability – unless wineries can offer the greater certainty of contracts at an improved price, on which growers can negotiate with their lenders. In the 2008 vintage, following the severely drought-affected 2007 vintage, the major wineries proved that they were capable of giving an early indication of grape prices which allowed growers to make decisions about water purchases. WGGGA is now asking them to do the same.

VINE REMOVALS BY MAJOR WINE COMPANIES NOT ENOUGH

Since the last issue of *The United Grower*, in which we referred to the announcement by Angove's that it was decommissioning 220ha of its Nanya Vineyard, in South Australia's Riverland, WGGGA has been advised by Foster's that it intends to reduce its vineyard footprint by 300ha this year through vine removals.

WGGGA welcomes this decision by the nation's largest vineyard owner to remove rather than sell these vineyard holdings. However, without detracting from Foster's commitment to reduce a significant area of vineyard, 300ha is a small portion of the company's 9000ha of vineyard. We are aware that Foster's and Constellation – which has also removed some of its national vineyard estate to the tune of 150ha to date – still have significant vineyard assets that remain unsold and we, again, urge both these companies and the other major winery vineyard owners in Australia to do more towards the national reduction of vineyard area.

WGGGA is not being critical of Foster's or Constellation for the sake of an opportunity to attack these major companies. But, when you consider that Angove's is removing 220ha, Brown Brothers' has removed 70ha, while a major vineyard entity based in Western Australia has removed 170ha and is removing a further 100ha in WA and Victoria this year, the

major's commitment to the WRAA adjustment process looks a bit thin.

As we stated in the last issue of *The United Grower*, the major wineries have to play a leading role in the industry's restructuring process. In the 1990s, family-owned vineyard operators were reluctant to expand their plantings until they saw these wineries expanding their own plantings, i.e., they put their money where their mouth is. The same response applies in reverse and, rightly, the industry is expecting some leadership from the major wine companies. WGGGA expects a further 3000-5000ha of plantings to go this year, and winery vineyards should be prominent in the list of pulled vineyards.

RISK OF OVER-CORRECTION

It's now quite evident that the Australian wine industry is running the risk of an over-correction of the supply and demand balance in the inland regions. Recent surveys done in the Riverland and Murray Valley indicate that nearly 4000ha of vines in both regions have either been removed or haven't been watered since 2008; that's almost 8000ha, or as much as 160,000t of production capacity, that has been removed from the industry in the inland regions. Given that a large number of growers have indicated that if they had the means to leave the industry, they would do so this year we have the makings of a very significant over-correction in plantings in the inland regions, led by the Riverland and Murray Valley.

The capacity of the industry to continue to supply fruit for the popular premium wine category is largely dependent on our inland plantings. Therefore, WGGGA has emphasised, yet again, the need for wineries to identify the growers, vineyards and varieties they need in those regions and to contract them accordingly to keep them in their supply base. WGGGA's preference is for three-year contracts to be offered comprising a minimum base price that reflects the cash costs of production in those regions. There is now a strong case for wineries to introduce differential pricing that encourages the better inland growers to remain in the industry.

We're not suggesting that wineries re-sign every grower. That would be good, but is unrealistic considering the current difficulties in the wine markets. However, they are going to run the very real risk of finding shortages of some varieties of fruit in the years to come, unless the majors move to underpin their grower base in these regions.

The Wine Restructuring Action Agenda identified that there is around 105,000t of E-grade fruit – that is, the material used to make popular-premium, cask and bulk wine – that doesn't have a home at viable price points. A further 25,000 tonnes is estimated not to be viable on the basis of cost of production



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versus winegrape prices able to be received over the longer term. We now know that we have reached and surpassed that 130,000 tonne supply correction in the Murray Valley and Riverland alone and, based on the grape prices offered during the 2010 vintage, this process is only likely to accelerate in the coming months.

ADJUSTMENT IN COOLER DISTRICTS STILL NEEDED

While the supply adjustment currently under way in the Riverland and Murray Valley will bring the industry's long-term market requirements for inland fruit back into balance, this does not deliver the structural adjustment that the Wine Restructuring Action Agenda (WRAA) states is required in cooler districts. The industry must not lose sight of the fact that there are still too many high-cost vineyards in cool and temperate zones where a structural adjustment is still urgently needed but is only just starting to occur.

WRAA noted that there are too many cool and temperate zone vineyards that have production costs at the levels required for A and B grade fruit but produce C and D grade fruit. Until this overhang of C-grade and, to a lesser extent, D-grade fruit in cool and temperate zones is removed, the industry will continue to have ongoing downward pressure on grape prices and a flow of wine at unviable prices onto the domestic and export markets that will keep winegrape prices low.

That said, it is worth noting that WGGA is aware that there is going to be a very significant volume of vines removed in central western New South Wales this year, particularly in Cowra, Mudgee and Orange, and also in the Upper Hunter. We're also aware of some reductions taking place in regions such as the Clare Valley where vineyards have been sold off, removed and returned to grazing, and in south-west WA. WRAA workshop feedback has also indicated forthcoming vineyard removals in north east Victoria.

There has been a very significant fall in prices in cool and temperate zones this year with a lot of activity by 'bottom feeders' picking up fruit at \$250-300/t, which is obviously not viable given the higher costs of production in these areas.

As we've said with respect to growers in inland regions, wineries also need to identify and contract the fruit they require from cool and temperature zones at prices commensurate, at a minimum, with growers' cash costs of production. We strongly urge the introduction of pricing for the better growers in these regions to encourage them to remain in the industry while sending a clear message via contract arrangements, tonnages and prices about the fruit they don't want.

INDUSTRY NEEDS TO REMAIN VIGILANT ON WINE TAX DESPITE GOVERNMENT RULING

As most readers would now be aware, the Federal Government has announced that it will not change the taxation arrangements on wine as recommended by the Henry Taxation Review, that is, to shift the taxation on wine from an ad valorem to a volumetric tax. In justifying its decision to ignore the Henry Review recommendation, the Government acknowledged the wine glut and the industry restructure that is under way, as was argued by WGGA in a letter to Prime Minister Rudd ahead of his Government's announcement (see page 6 of *The United Grower* in this issue).

Whilst this decision is good news, WGGA would like to stress that this does not rule out the Government revisiting this issue once the wine glut is eliminated and the industry's restructure is complete. Therefore, the industry needs to remain vigilant over this issue, given that the anti-alcohol lobby will continue to press for changes to wine tax. This is reflected in statements such as the following by Mike Daube, president of the Public Health Association of Australia, who subsequent to the Government's decision to shelve the recommendation to impose a single tax rate on all forms of alcohol based on volume, said: "Now that a recommendation for volumetric tax has come from the Government's two key reports both on tax and health, I believe its introduction is inevitable. We have cask wine being promoted at \$2 a litre – cheaper than some bottled water. It is simply not responsible to allow alcoholic products to be as cheap as soft drinks."

In recommending a common volumetric tax on all forms of alcohol, the Henry Review said that the social costs of alcohol abuse by individuals were not effectively targeted by current tax and subsidy arrangements for alcohol. "In particular, the wine equalisation tax, as a value-based revenue-raising tax, is not well suited to reduce social harm. For example, a two-litre wine cask costing \$10.99 includes roughly \$1.59 of wine equalisation tax. An equivalent volume of alcohol in full strength beer would attract \$7.48 in excise, and in spirits, \$16.45.

"A common volumetric tax on alcohol would better address social harm through closer targeting of social costs. The rate should be based on evidence of net social costs. Moreover, by removing the distinction between different manufacturing processes, the compliance and administration cost of the existing excise system would be reduced."

Although the Henry Review noted that a common alcohol tax should be phased in over a long time, "to ensure that sudden price rises or price falls do not adversely affect production or



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consumption decisions”, it added that shifting wine taxation from an ad valorem to a volumetric basis should be pursued “as a priority”.

2010 VINTAGE PROJECTIONS

On 2 March, the Australian Bureau of Agricultural and Resource Economics (ABARE) issued a revised projection for the 2010 vintage of 1.6 million tonnes (MT) at its annual Outlook Conference. However, WGGA is finding it difficult to quantify a harvest as big as that.

At the time of writing in early April, vintage was drawing to a close in Australia’s major production regions and WGGA’s best estimate of the harvest was 1.4-1.5MT.

Although we are aware that Western Australia has grown quite a big crop, it is unclear as to how much will be left on the vine. Elsewhere, despite WRAA’s statements on over-supply, it appears most of the crops have been harvested, with the exception of Chardonnay, Cabernet and, to a lesser extent, Merlot and some Shiraz that either wasn’t contracted or couldn’t obtain a reasonable price.

However, there has generally been a significant drop in the crush, led by these four key varieties. The fall in crush from the Riverland of a potential 100,000t between the 2009 and 2010 vintages is indicative of what’s been a very difficult season in terms of both yields and prices. Extraordinarily, it looks as though South Australia will record a 2010 vintage near to or even slightly below 600,000t, compared with 730,000t in 2009. There has also been very significant yield reductions and seasonal effects in New South Wales which will affect the state’s contribution to the vintage. As we’ve already noted, there is a further downward trend in the crush from the Murray Valley with the prospect of a harvest of around 250,000t. A similar total is predicted for the Riverina. Anecdotally, the vintage in Victoria, Tasmania and Queensland has been good, although parts of the latter have been affected by both frost, hail and summer rains.

WGGA is also aware that there was some late interest by wineries in Chardonnay and some reds from temperate and inland regions, albeit at very low prices. In a classic indication of a lighter-than-anticipated vintage, Constellation lifted tonnage caps on some red varieties late in the season.

Given the WRAA initiative and its central message about over-supply and the reported build-up of wineries’ inventories, it would have been reasonable to expect that more fruit would have been left on the vine this year, in spite of the lower vintage. This probably proves that when prices are so low and quality is so good, wineries will take the opportunity to pick

up very cheap material, thereby reducing their overall inventory costs and boosting the quality of their stocks. As we’ve said repeatedly, this practice is simply unsustainable, and it also obscures the WRAA message on over-supply and the need to rapidly adjust production levels.

It is expected that WGGA and the Winemakers’ Federation of Australia will shortly begin negotiations with regional and state industry associations about the prospect of undertaking surveys to enable the industry to establish the volume of vines that have been decommissioned or removed over the last season and determine what growers and wineries’ expectations are around vine removals for the coming season.

RORY MCEWEN NEW HEAD OF GWRDC

As readers may already be aware, former South Australian Minister for Agriculture Rory McEwen has replaced Dennis Mutton as chair of the Grape and Wine Research and Development Corporation (GWRDC), appointed to the role for a three-year term beginning from 3 April. WGGA had a good working relationship with Mr McEwen during his time as SA Minister for Agriculture and he has a good understanding of our industry.

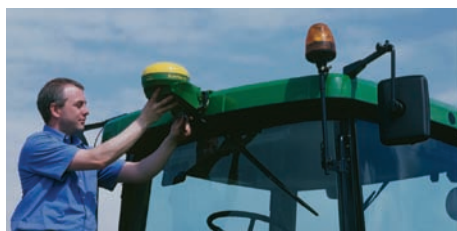
WGGA welcomes Mr McEwen’s appointment and looks forward to having a very productive working relationship with him as the new chair of the GWRDC board. He comes to the position at a time when the falling revenue from a declining grower crush is going to mean that the management of where funds are apportioned and in what quantities will be even more acute.

WGGA is still very committed to working as closely as possible with the GWRDC to ensure it receives good feedback from the winegrape sector about its R&D investment priorities.

Meanwhile, WGGA farewells Dennis Mutton who was very well-respected and, on behalf of the grower sector, thanks him for his two terms as chair.

SA GOVERNMENT INQUIRY FINDINGS

By the time this issue of *The United Grower* goes to print, WGGA will have written to South Australia’s new Minister for Agriculture Michael O’Brien asking him to expedite the release of the report or the Government’s recommendations from the inquiry into the operation of the SA Grape Growers Industry Fund. As readers will recall, the inquiry examined the current arrangements of the fund whereby the Minister collects \$1 for every tonne of grapes delivered by the State’s growers which is paid to the State grapegrower body, the Wine Grape Council of SA (WGCSA), which has in turn made



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payments of 50% of the grower levies to WGGA. However, last year the Riverland Winegrape Growers' Association (RWGA) moved to restrict its growers' levies being paid to WGGA, and subsequently resigned from WGGA, leaving only the Rest Of SA growers providing funding from the State to the national growers' organisation.

Given that the production base of the industry generally is going to be down this year and, therefore, the voluntary levy funds for WGGA will be somewhat tighter, resolving the SA funding position for WGGA and establishing clarity around the future financial and operational direction of our organisation is paramount. This is emphasised by the fact that growers nationwide are experiencing what is probably the worst financial conditions in 50 years and that the industry is facing the prospect of potential changes in wine taxation arrangements that would cripple it.

It's in the interests of the South Australian and national winegrape sector to reach agreement on the funding base for WGGA from SA growers, and for WGGA to move on and put our relatively lean resources into focussing on major external issues, rather than having to constantly worry about whether WGGA will continue to have the financial support of the WGCSA and RWGA.

Once we've received a clear direction from the Minister on the outcomes of the inquiry, WGGA will be in a position to begin talks with the RWGA regarding its future engagement with WGGA. WGGA has held off commencing such talks as it has believed it would be inappropriate to do so until the SA inquiry was completed and the Government's view on its recommendations are known. This makes the need for the Minister to act on the inquiries imperative. By then, we should also know whether Riverland growers' funds that have been collected through the SA Grape Growers Industry Fund will continue to be quarantined by the Government at the request of the RWGA or be made available to WGGA.

WGGA is very keen to ensure that we have a Riverland representative at our board table. It makes no sense to have a national body where the largest winegrape growing region in Australia is not represented.

Once the outcomes of the SA inquiry are known, WGGA chairman Alan Newton will formally step down as chair of WGGA, having agreed last year to remain in the role until these outcomes are known. As reported in the February issue of *The United Grower*, following changes to its constitution, WGGA now has the option of electing a chair from its board. Whilst the board still maintains that it would prefer to have an independent chair, this is very much dependent on WGGA's funding position.



Outgoing Murray Valley Winegrowers' chief executive Mike Stone.

GROWERS LOSE A GREAT CHAMPION

The Australian winegrape sector has lost one of its fiercest advocates with the resignation of Murray Valley Winegrowers' chief executive Mike Stone, who steps down in June after nine years at the helm of the body. The board of WGGA has acknowledged the extraordinary commitment that Mike has made to Murray Valley growers and the Australian winegrape grower community as a whole, and his many outstanding achievements for the sector during his tenure.

Mike Stone's name has become synonymous with the fierce defence of growers' rights and strong advocacy for the winegrape sector within the industry, in the media, and with Government. Mike guided Murray Valley growers through a number of landmark contract disputes with major wine companies, which led over a period of more than six years to the development of the Australian Wine Industry Code Of Conduct, and the establishment of the joint winemaker/grapegrower Wine Industry Relations Committee - now convened by WGGA and the Winemakers' Federation of Australia. Mike has also worked with the Murray Valley grower community to achieve a number of successful grower polls for continuation of regional R&D programs via the Murray Valley Winegrape Industry Development Committee, and was instrumental in the formation of Vintage Traders, the grower collective winegrape marketing company formed in 2008. He guided the wind-up of the old national body - Wine Grape Council of Australia - when it imploded in 2004, and played a central role in the formation of WGGA in 2005 - remaining closely associated with WGGA in the role of an official observer at the board and a member of the Wine Industry Relations Committee and Code Administration Committee since.



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PLEA TO PM OVER WINE TAX

Below are extracts from a letter by Wine Grape Growers' Australia to Prime Minister Kevin Rudd just prior to the release of the Henry Tax Review and the Federal Government's response to its recommendations on 2 May. Despite the Government's decision not to introduce a volume-based tax on wine as recommended by the review, WGGA's arguments are worth noting given such a tax is likely to be revisited in the future.

- A new volumetric tax on wine applied at the current packaged beer excise rate would:
 - Decimate the Australian cask wine market that represents 39% of Australian domestic market sales, given that this market is very price inelastic. A \$12 wine cask would more than triple in price to \$37, and wine cask sales will decline very rapidly. Australia's largest bottled wine market segment, the popular premium segment retailing at between \$5 and \$8 a bottle, would also be significantly affected, with 95% of all Australian wine sold domestically increasing in price through the additional tax impost. The cumulative effect of such a change in tax on wine would see a 34% fall in Australian domestic wine sales, or the equivalent of 146 million litres of annual wine sales lost.
 - Result in the loss of 12,000 jobs in the industry, related businesses and regional economies – an estimated half of these in the vineyard sector. The impact would be most sharply felt in the key inland production zones of Riverland (SA), Murray Valley (NSW & Vic), and Riverina (NSW). However, the impact of a large volume of wine in existing inventories previously destined for the wine cask and popular premium bottled wine segments flooding the Australian domestic wine market would drive many winegrape growers, wineries and related businesses in other regions to the wall.
 - Reverberate amongst smaller regional wineries, the growers who supply them, and the regional tourism operators who rely on them. The introduction of a volumetric tax and the removal of the current WET rebate would immediately force an estimated 1000 small regional wineries that are largely or wholly dependent on the WET rebate on their cellar door sales for their continued viability out of business, and would severely compromise the financial position of another 1000 wineries who are also significantly dependent on the rebate for their financial survival. Cellar door tourism and the livelihoods of more than 2000 smaller winegrape growers who supply them would be decimated, as would the broader regional tourism prospects for scores of regions across Australia that largely or completely rely on winery tourism as a drawcard.

- Result in an additional 29,000 hectares of vines being made redundant, over and above the current structural reduction of vineyard area across Australia, leaving more than 250,000t of annual winegrape production without a viable market. Together with the structural adjustment of Australian winegrape and wine production already under way, this additional reduction in economically viable vineyard area could see Australia's national winegrape vineyard estate fall from 160,000ha in 2008 to as little as 91,000ha once the full impact of a volumetric tax flows through the industry.
- Choke the supply of economically-produced grapes from inland zones to service the export market for the popular premium wine category, given the focus of the impact of a volumetric tax on the key inland production areas and the disproportionate loss of vineyards in the Riverland, Murray Valley and Riverina. Higher production costs in other regions makes the replacement of inland grape production for popular premium wines at viable prices for these growers virtually impossible – meaning an inevitable erosion of Australia's capacity to service this crucial market segment in key export markets. WGGA estimates the indirect impact of a volumetric tax on export supply through the undermining of domestic market sales from these regions would be around \$800 million in lost value of wine export sales.

While the Henry Review may view that alcohol should be taxed on the basis of alcohol content, and that all alcoholic beverages should pay a proportionate share of the cost of abusive alcohol consumption in the community, this does not account for the fact that wine is a distinctly different beverage, produced by a regionally based primary industry, and consumed by the vast majority of wine consumers in moderation. There is no evidence that wine, including cask wine consumption, is implicated in widespread alcohol abuse within the Australian community. Therefore WGGA submits that the Government should reject calls from the health lobby to use higher wine taxation as a means of reducing abusive alcohol consumption.

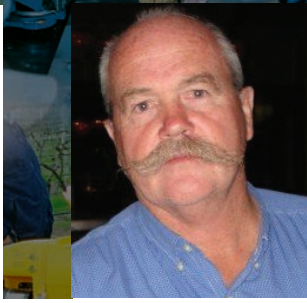
The Government has already acknowledged the differential impact of some alcoholic beverages through its taxation measures on ready-to-drink, spirit-based beverages, and has supported a multi-tiered approach to taxation of alcoholic beverages in the past. In this context, while the flat-lining of alcohol taxation via one volumetric tax method and single tax rate may simplify the tax system for alcohol, it would significantly reduce the tax on some forms of alcohol (spirits) while significantly increasing it on others (wine), meaning a single excise rate on all alcoholic beverages may compromise the Government's stated aim to reduce harmful consumption of some forms of alcohol.



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Family

Wife Donna; children Soren and Annika

Vineyard

14ha at the foot of the Grampians, Victoria

Varieties grown

Shiraz (12ha), Viognier (0.5ha), Chardonnay (1ha), and Riesling (0.5ha)

How long have you been involved in the wine industry?

Since 1975 or thereabouts - a long time!

Chronological history of employment and education in the wine industry

Vineyard hand, Jim Barry Wines, Clare Valley, South Australia; Graduate Diploma in Wine, Roseworthy Agricultural College; moved to the Hunter Valley for four years before returning to SA and working with Mildara Wines, Eden Valley; moved to the Seppelt wine company's new vineyard development in the Adelaide Hills, becoming responsible, over time, for the combined vineyards of Seppelt, Wynns, Penfolds and Tollana, in the Adelaide Hills and Eden Valley; moved to Victoria to become regional grape resources manager for Southcorp; completed a Masters of Applied Science, Charles Sturt University; upon leaving the now Foster's wine group, worked with a major managed investment scheme in the Pyrenees and, in more recent times, with a pioneer wine business from the Pyrenees; in 2002, established a small, innovative and dynamic viticultural consultancy backed

up by a 14ha vineyard, a boutique wine label and am involved in establishing several cooperative businesses associated with group purchasing and selling wine internationally.

Past and current industry representation or memberships

Member of the organising committees for past Australian Wine Industry Technical Conferences; involved in the 5th International Symposium on Cool Climate Viticulture and Oenology held in Melbourne in 2000; present chair of the Australian Vine Improvement Association (AVIA); past chair of Victorian and Murray Valley VIA; past member of the South Australian VIC executive; inaugural chair of the Adelaide Hills Vine Improvement Association (AHVIA); present treasurer of Grampians Winemakers Inc.; member of Victorian Viticultural Biosecurity Committee.

Describe how you've found running your own viticulture consultancy business?

I have found working as a consultant hard work. Most people involved in agriculture have been supplied free advice for many years by the various Departments of Agriculture so don't like paying for advice. The information from the Departments of Agriculture has been drying up as Government funding for viticulture has dissolved in recent years. The transfer of growers' keenness to listen to free advice from the Government to be willing to pay for the advice of a consultant is slowly happening and is becoming increasingly important for growers wanting to be in the top 25% of their business.

What are your thoughts on the nation's over-supply?

Our industry leaders need to move from the negative talk associated with the WRAA and start to look to the future to help us - as growers and winemakers

- maintain our markets and build our businesses into the future. Asking for vine pull hand-outs or telling us we need to give up our \$1 million dreams just doesn't cut the mustard. Let's see some leadership from our industry organisations.

In July 2007, you and two other growers from your local area formed a buying group to capitalise on the savings possible from large volume purchases of fungicides, fertilisers and the like. What is the status of that group now and how effective has it been?

We are entering our third year of operation and our group is expanding every year as new people come on board, increasing our buying power. We are achieving significant price advantages compared with purchasing as individuals on a needs basis - it is a great cost-saving in our vineyards. The greatest difficulty we find our fellow grapegrowers have is in planning their annual chemical programs as we forward purchase our chemicals. The great advantage of our group is it forces us to plan our herbicide and fungicide programs. Planning leads to better pest and disease control as well as achieving great cost efficiencies.

If you were to invite three people to dinner to brainstorm the future of the Australian wine industry, who would you ask and why?

I love a good long lunch... the Federal Minister for Agriculture, because he is in a position to influence where our industry is located, how it is organised and he has the ability to impact on how we spend our research monies; Brian Croser, whose thoughts on where our industry is heading and what he is advocating I would like to understand better; and someone who has an understanding of how the electronic world works and how IT can enable a boutique winery access to national and international markets.



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Over the years viticulture has seen many changes, especially when it comes to labour. First we relied on manual labour, then we brought in the help of animals, and now machines – all in the name of saving time, money and achieving higher yields. While some activities may still require a human touch, many benefit significantly from mechanisation.

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[^] Rear axle width, flange to flange
* Engine horsepower (ISO) 97/68 EC Standards