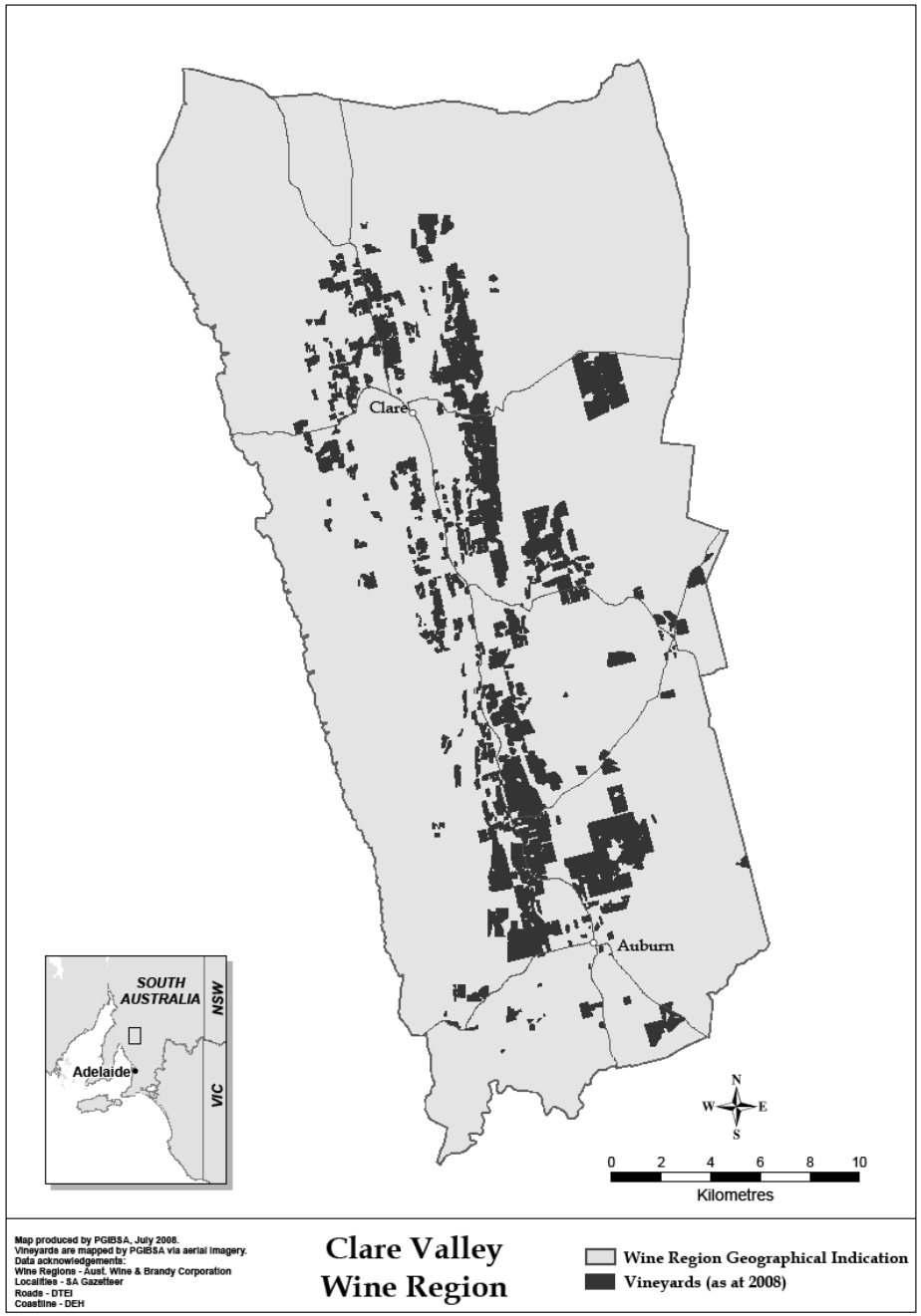

Clare Valley Wine Region

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

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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:

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+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.

Clare Valley

Vintage overview

Vintage report

Good winter rainfall allowed most water storages in the Clare Valley to fill for the first time in many years, providing a full soil moisture profile for the start of the growing season.

The 2009/2010 growing season started early, with some warm spring days in September giving some varieties an earlier growth spurt. However a cold snap at the end of September then slowed growth down, limiting the development of some later varieties such as Cabernet Sauvignon to the extent that they came under pressure from earwig attack. This resulted, unusually, in some growers having to spray to control earwigs.

A return to normal spring temperatures was experienced in October with some good rain falling throughout the month, allowing those vines retarded by the cold in September to catch up.

November was unusually hot, which initially seemed to have little impact on the vines, apart from speeding up the flowering process, from around two to three weeks down to seven days. But it was around the period the vines began fruit set that growers realised the true impact of the heat. This resulted in very poor fruit set in some varieties, particularly Cabernet Sauvignon and Grenache.

December seemed to be a fairly moderate month with little in the way of extreme temperatures, although records suggest that it had one of the hottest averages in history. There were also some dewy mornings which produced favourable conditions for powdery mildew. Light Brown Apple Moth (LBAM) was also prevalent at this stage of the season, with many tighter bunched varieties such as Riesling sustaining some degree of damage.

January and February provided good ripening months, albeit a little further advanced than normal due to the November heat.

Vintage started in early February for most, but fortunately never hit the frenetic pace of 2008, with many wineries saying it was the most compact but even vintage for many years.

Those varieties hit by the heat did not recover, with many patches of Cabernet Sauvignon and Grenache yielding extremely poorly, though the quality was reasonable. Shiraz and Riesling on the whole performed well with some outstanding parcels of fruit picked this year.

Frank Nicholls
Chairman, Clare Region Wine Grape Growers Association

Overview of vintage statistics

The harvest from the Clare Valley was 21,675 tonnes in 2010, down 14% compared with last year - against the trend of higher crushes in surrounding regions. The total value of grapes crushed in the region also decreased by around $6.6 million, to $22.2 million. The average purchase value for the top two varieties decreased to 2006 values, although Cabernet Sauvignon was only slightly less in value than for 2009.

There were 12 hectares of new plantings in the Clare Valley in spring 2009 (including top-working and replacements) – an almost 90% fall on the 94 hectares planted in each of the previous two seasons. This relatively small amount was evenly spread over a number of varieties.

The estimated production from the Clare Valley for 2011 is 27,000 tonnes. The wineries' committed intake is 26,500 tonnes –so there is expected to only be a small amount of surplus fruit.

By 2015, the estimated production is just over 27,000 tonnes, of which 70% (20,000 tonnes) is already under contract or winery grown fruit. This leaves around 7,000 tonnes as yet uncontracted.

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).

Clare Valley

Winegrape intake summary - vintage 2010

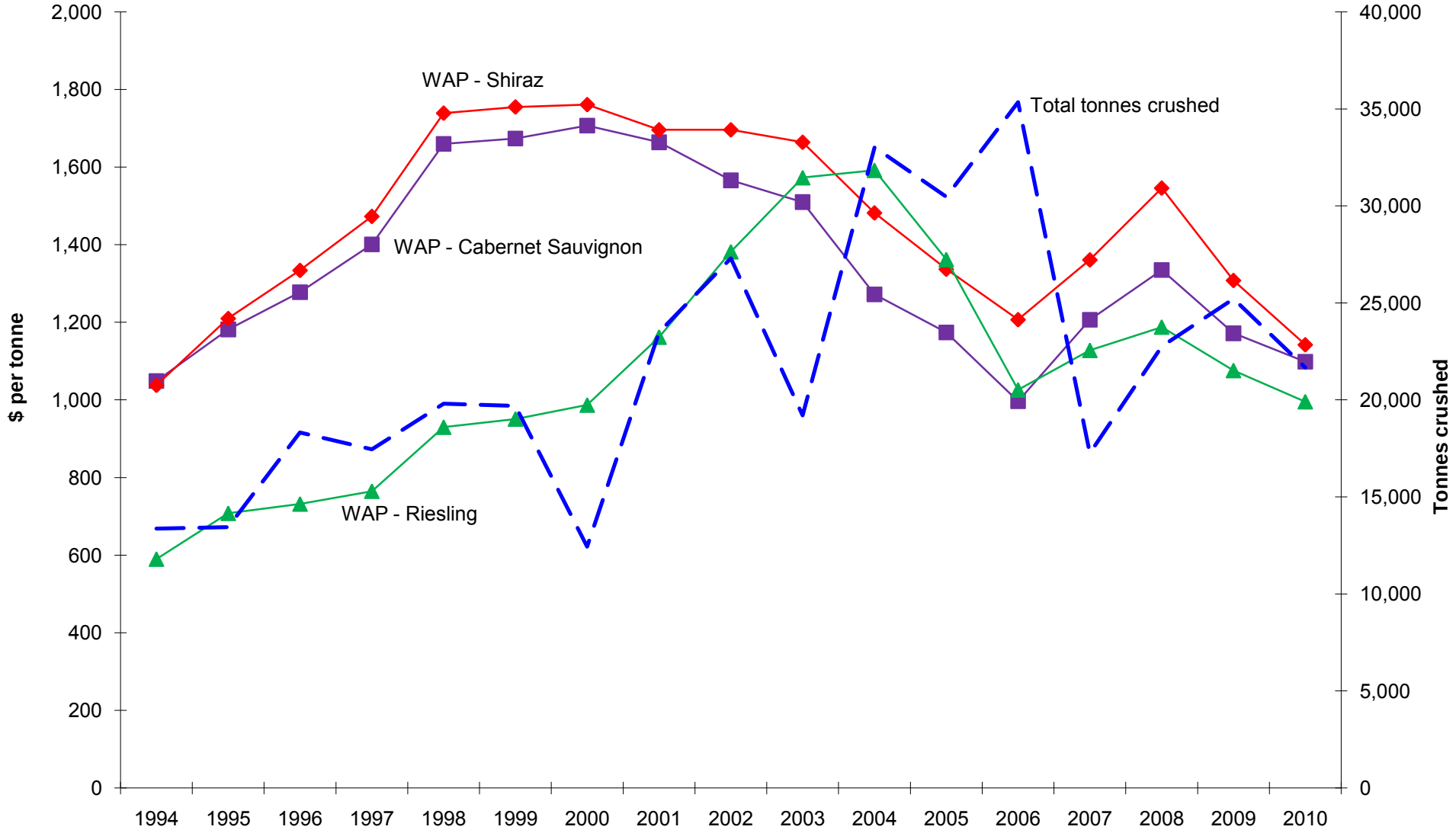
Variety	Tonnes purchased	Lowest price[1]	Highest price[1]	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
RED								
Barbera	0					41	41	$44,455
Cabernet Franc	2			$2,300	$1,278	59	60	$77,178
Cabernet Sauvignon	1,485	$500	$2,000	$1,631,276	$1,099	1,606	3,091	$3,396,110
Grenache	66	$1,000	$1,500	$87,964	$1,330	93	159	$211,167
Malbec	89	$500	$1,500	$80,793	$906	166	256	$231,583
Mataro	4			$2,904	$800	58	61	$49,160
Merlot	627	$200	$1,300	$451,821	$721	686	1,313	$946,828
Muscat a Petit Grains Rouge / Rose	0					3	3	$3,253
Nebbiolo	0					33	33	$35,780
Other Red	1			$1,000	$1,000	32	33	$33,000
Petit Verdot	25			$19,322	$785	46	70	$55,295
Pinot Noir	16			$3,256	$200	43	59	$11,816
Ruby Cabernet	0					10	10	$10,843
Sangiovese	15			$12,600	$840	124	139	$117,081
Shiraz	4,039	$200	$3,000	$4,613,985	$1,142	3,488	7,527	$8,598,132
Tempranillo	33			$33,080	$1,000	19	52	$51,700
Touriga	0					14	14	$15,180
Total Red winegrapes	**6,401**			**$6,940,301**		**6,520**	**12,921**	**$13,888,560**
WHITE								
Chardonnay	293	$300	$1,200	$195,359	$666	594	887	$590,721
Chenin Blanc	4			$2,275	$650	9	13	$8,125
Muscadelle	0					14	14	$13,538
Muscat Gordo Blanco	2			$2,400	$1,200	2	4	$4,800
Other White	4			$4,775	$1,250	4	8	$9,975
Pedro Ximenes	0					26	26	$25,142
Pinot Gris	103	$800	$1,000	$97,554	$951	73	175	$166,691
Riesling	3,969	$500	$2,000	$3,952,221	$996	2,442	6,412	$6,383,678
Sauvignon Blanc	24	$800	$1,500	$20,964	$889	103	126	$112,322
Semillon	441	$300	$1,350	$398,296	$903	403	844	$762,130
Traminer	19			$22,949	$1,218	116	135	$164,736
Verdelho	0					19	19	$18,373
Viognier	26	$1,000	$1,200	$26,400	$1,015	65	91	$92,197
Total White winegrapes	**4,884**			**$4,723,194**		**3,870**	**8,754**	**$8,352,430**
Grand Total All winegrapes	**11,285**			**$11,663,494**		**10,390**	**21,675**	**$22,240,990**

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 Clare Valley is 6%.

Clare Valley

Historical Weighted Average Price vs tonnes crushed



Clare Valley

Current plantings by variety and year planted

Variety	Current area in hectares					% planted
	Pre-2007	*2007*	*2008*	*2009*	*Total area*	*in 2009*
Red winegrapes						
Cabernet Franc	19	0	1	0	20	*0%*
Cabernet Sauvignon	1135	22	46	3	1206	*0%*
Grenache	66	0	0	0	66	*0%*
Malbec	64	2	0	0	67	*0%*
Mataro (Mourvedre)	31	1	0	0	32	*0%*
Merlot	304	0	1	0	305	*0%*
Nebbiolo	4	0	0	0	4	*0%*
Other red	15	0	1	0	15	*0%*
Petit Verdot	12	0	0	0	12	*0%*
Pinot Noir	11	0	0	0	11	*2%*
Sangiovese	36	0	1	0	37	*0%*
Shiraz	1865	30	14	0	1909	*0%*
Tempranillo	19	5	4	2	30	*7%*
Total red varieties	**3582**	**61**	**67**	**5**	**3715**	***0%***
White winegrapes						
Chardonnay	292	0	0	0	292	*0%*
Other white	13	4	3	4	23	*15%*
Pinot Gris	27	3	9	2	40	*4%*
Riesling	1221	18	14	2	1254	*0%*
Sauvignon Blanc	33	6	0	0	39	*0%*
Semillon	180	0	0	0	180	*0%*
Traminer (Gewurtztraminer)	32	0	1	0	33	*0%*
Verdelho	4	0	0	0	4	*0%*
Viognier	22	3	0	0	25	*0%*
Total white varieties	**1824**	**33**	**27**	**7**	**1891**	***0%***
Unknown variety	17	0	0	0	17	*0%*
Rootstock Block	0	0	1	0	1	*0%*
Non-winegrape varieties	1	0	0	0	1	*0%*
Total all varieties	**5425**	**94**	**94**	**12**	**5626**	***0%***

Clare 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	33	0	33	0	33	0	33	0	33	0	33
Cabernet Franc	99	102	2	104	100	108	0	108	100	110	0	110
Cabernet Sauvignon	4,693	3,154	2,145	5,299	4,762	3,362	706	4,068	4,762	3,399	499	3,898
Grenache	332	126	55	181	332	128	40	168	332	128	26	154
Malbec	328	199	65	264	332	193	24	217	332	193	24	217
Mataro	158	51	5	56	159	51	5	56	159	51	5	56
Merlot	1,523	1,098	748	1,846	1,524	1,098	353	1,451	1,524	1,098	149	1,248
Muscat a Petit Grains Rouge	0	3	0	3	0	3	0	3	0	3	0	3
Nebbiolo	22	22	0	22	22	22	0	22	22	22	0	22
Other Red	75	16	1	17	76	16	1	17	76	16	1	17
Petit Verdot	61	52	4	56	61	52	0	52	61	52	0	52
Pinot Noir	55	69	11	79	55	69	11	79	55	69	11	79
Ruby Cabernet	0	11	0	11	0	11	0	11	0	11	0	11
Sangiovese	184	123	0	123	184	129	0	129	184	145	0	145
Shiraz	9,466	3,900	4,097	7,997	9,526	4,025	2,315	6,340	9,526	4,049	1,350	5,400
Tempranillo	121	46	0	46	138	64	0	64	138	66	0	66
Touriga	0	16	0	16	0	16	0	16	0	16	0	16
Total red winegrapes	**17,118**	**9,020**	**7,132**	**16,152**	**17,271**	**9,379**	**3,456**	**12,835**	**17,271**	**9,460**	**2,066**	**11,527**
White winegrapes												
Chardonnay	1,753	1,265	476	1,740	1,753	1,248	131	1,379	1,753	1,248	131	1,379
Chenin Blanc	0	11	0	11	0	11	0	11	0	11	0	11
Muscadelle	0	16	0	16	0	16	0	16	0	16	0	16
Muscat Gordo Blanco	0	2	0	2	0	2	0	2	0	2	0	2
Other White	101	5	13	18	122	11	21	32	122	11	0	11
Pedro Ximenes	0	32	0	32	0	32	0	32	0	32	0	32
Pinot Gris	200	94	118	212	222	112	95	208	222	118	127	245
Riesling	6,202	3,309	3,455	6,764	6,246	3,334	2,415	5,749	6,246	3,342	2,109	5,450
Sauvignon Blanc	222	168	16	184	232	168	16	184	232	168	16	184
Semillon	1,171	608	572	1,180	1,171	613	117	730	1,171	624	117	740
Traminer	164	145	26	172	165	156	26	182	165	164	26	191
Verdelho	24	21	0	21	24	21	0	21	24	21	0	21
Viognier	145	41	26	68	150	73	154	227	150	73	26	100
Total white winegrapes	**9,983**	**5,717**	**4,702**	**10,419**	**10,087**	**5,797**	**2,975**	**8,772**	**10,087**	**5,829**	**2,553**	**8,381**
Total all winegrapes	**27,101**	**14,737**	**11,834**	**26,571**	**27,358**	**15,175**	**6,431**	**21,607**	**27,358**	**15,289**	**4,619**	**19,908**

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

[2] *A raising factor of 1.06 has been applied to committed intake to allow for non-respondents*