

MEDIA RELEASE
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**NEW ZEALAND WINEGROWERS 2008 ANNUAL RESULTS -
ON TARGET TO ACHIEVE \$1 BILLION OF EXPORTS BY 2010**

- **Exports rise 14 per cent to reach \$800 million**
- **Australia overtakes the United Kingdom as New Zealand's largest export market**
- **Vineyard membership to Sustainable Winegrowing New Zealand increases by 50 per cent**

New Zealand wine exports reached a record \$800 million [eds: \$797.8 million] for the 2008 year, according to New Zealand Winegrowers' annual results released today.

The results are in line with projections, and the industry remains on target to achieve \$1 billion of exports annually by 2010.

For the year ending 30 June 2008, offshore sales of 88.6 million litres of wine totalled \$800 million – up 14 per cent on 2007.

Domestic sales of New Zealand wine brought total overseas and domestic sales for 2008 to \$1.25 billion.

New Zealand Winegrowers Chair, Stuart Smith, said a focus on quality and a strong, unified industry were major factors in the 2008 result and the ongoing success of New Zealand wine.

“Each year we have made projections about sales and growth and each year these are fulfilled and often surpassed. This year is no exception,” Mr Smith said.

Overseas markets

This year has seen a shift in key export markets with Australia becoming the largest export market by value, up 37 per cent to a record \$247 million.

Exports to the United Kingdom grew eight per cent on 2007.

“The focus on premium quality is clear, with the average bottle of New Zealand wine sold in the United Kingdom now £6.47, which is £2.09 ahead of the nearest competitor.

“It’s exciting to see the exports of New Zealand wine growing each year in both our key export markets and emerging markets such as Japan and Ireland, which are brimming with potential.

“It is clear as consumers become increasingly more discerning, that the quality of New Zealand wine increasingly stands out,” Mr Smith said.

Sustainable winegrowing

Membership of Sustainable Winegrowing New Zealand by both growers and wineries has exceeded expectations with vineyard memberships up 50 per cent in the past year. As a result, more than 70 per cent of New Zealand’s total wine production capacity is under a sustainability scheme.

These results confirm the industry is making good progress to having 100 per cent of all wineries and vineyards producing under an independently audited scheme by 2012, which is the aim of the industry’s sustainability policy.

“New Zealand Winegrowers has focused on sustainability for the past 14 years and it is encouraging to see a large number of members embracing sustainability.

“We have evolved and adapted the Sustainable Winegrowing New Zealand scheme to encourage participation and it is pleasing to see the effects of this with increasing membership,” Mr Smith said.

He said the quality of vintage 2008 appears sound, with the best wines set to be sensational.

He acknowledged there will be challenges for the New Zealand wine industry including the current economic climate and a significantly increased volume of wine to market overseas following the large 2008 vintage. However, Mr Smith believes the foundations that have been built by the industry will stand the industry in good stead.

“The current economic situation has laid down a challenge for the coming year, but this is a challenge the New Zealand wine industry is ready to meet.”

He said the industry was aware of the need to maintain its momentum of success to ensure it continued to meet and exceed its goals.

“There is huge potential to build on the significant successes to date,” Mr Smith said.

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Editors note

Highlights and milestones

- New Zealand wine industry on target to achieve \$1 billion in exports by 2010
- The value of exports was \$800 million for the year-end June 2008, up 14 per cent on the previous year
- Vineyard membership to Sustainable Winegrowing New Zealand up 50 per cent
- Australia overtakes the United Kingdom as New Zealand’s largest export market by value to \$247 million, an increase of 37 per cent on 2007.

For more information about New Zealand Winegrowers, please visit www.nzwine.com

For information about Sustainable Winegrowing New Zealand please visit www.nzwine.com/swnz

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