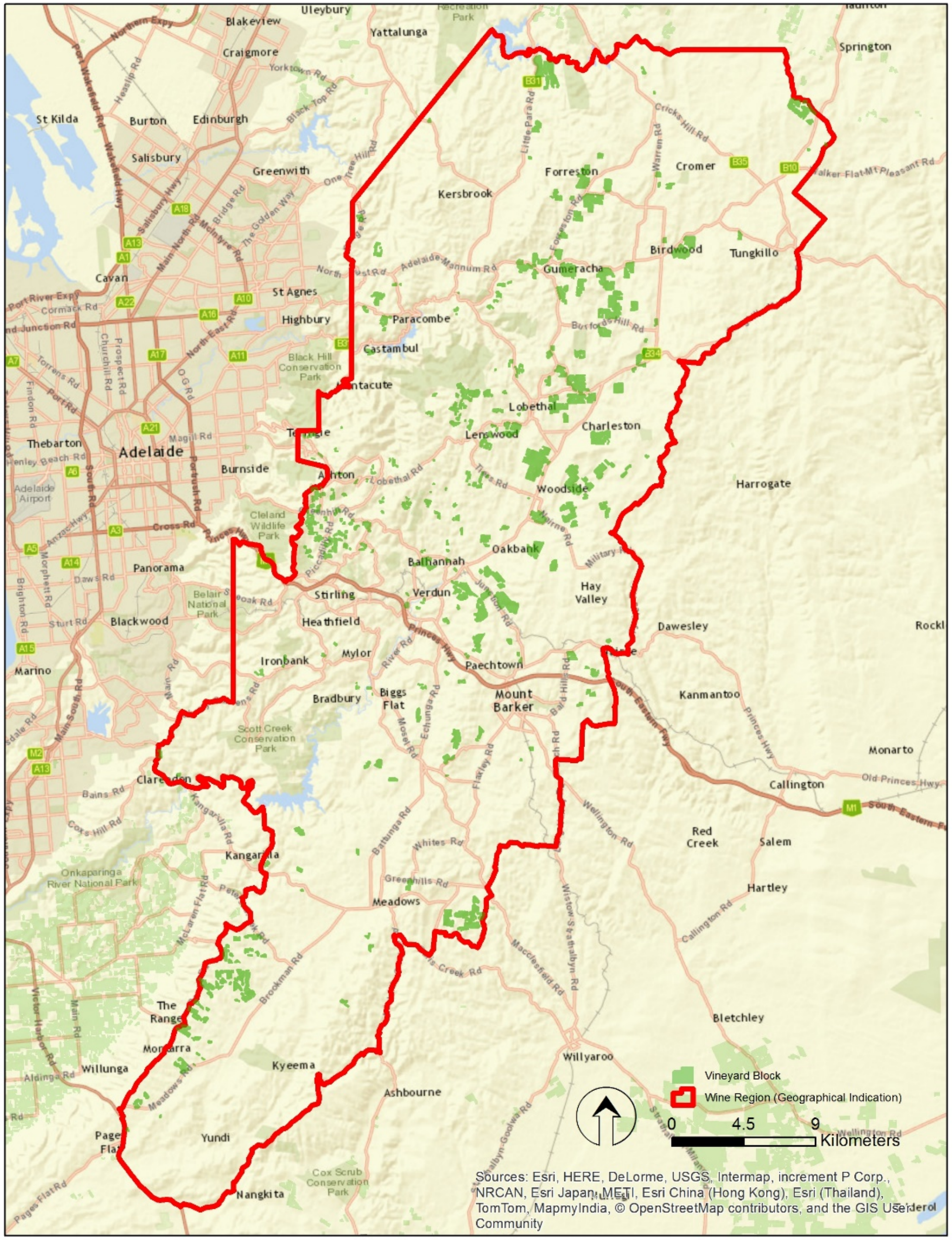


DATUM: GDA94
PROJECTION: MGA Zone 54
DATE: 8th March 2017
SOFTWARE: ESRI ArcGIS v10.4
DATA SOURCE:
Vineyard Block - Vinehealth Australia
Wine Region - Wine Australia

Adelaide Hills
Wine Region

Vinehealth
AUSTRALIA

DISCLAIMER: Although every effort has been made to ensure the accuracy of the information displayed, Vinehealth make no representations, either express or implied, that the information displayed is accurate or fit for any purpose and expressly disclaims all liability for loss or damage arising from reliance upon the information displayed.

SA Winegrape Crush Survey 2020

Regional Summary Report

Adelaide Hills Wine Region

Wine Australia July 2020

Adelaide Hills

Vintage overview

VINTAGE REPORT

Vintage 2020 was marked by weather extremes and the Cudlee Creek bushfire which impacted on 761 ha of vineyard plantings in the region. However, the benefit of cool climate viticulture won through for the rest of the district with winemakers crafting crisp white wines and stunning reds.

The grape growing season began well then faced unseasonably cold conditions in the final stages of flower development and flowering. This meant that grapes failed to set and for the second consecutive season yields were below 60% of the average crops of the mid-2010s. Unlike its neighbours, the Adelaide Hills had just two heatwaves during the growing season. The first, over 5 days, resulted in the Cudlee Creek bushfire which broke out on December 20. The second heatwave, over the last four days of December, caused minimal damage as grape berries were still hard and green and resistant to heat damage. The remainder of summer included several heat spikes meaning that vine canopies remained undamaged, fully protecting berries as they ripened.

The ripening period, in contrast to December, was cool. February was the coldest since the 1990s and January, March and April were mild. Welcome rains (80 – 110 mm) in late January / early February were timely in breaking a run of unseasonably dry weather and setting up perfect ripening conditions. Disease pressure was low as spring was dry and the rains were at a time of the season that caused minimal damage.

Richard Hamilton – Hamilton Viticulture

On behalf of Adelaide Hills Wine Region

OVERVIEW OF VINTAGE STATISTICS

The reported crush of Adelaide Hills winegrapes was 12,049 tonnes in 2020, down 25 per cent on the 2019 crush of 16,021 tonnes, and the lowest reported crush since 2002. Over the past five years (up to 2019), the average crush for the Adelaide Hills has been 24,809 tonnes, making this year's crush 51 per cent below the five-year average.

There were 72 respondents to the survey who reported crushing grapes from the Adelaide Hills in 2020, compared with 76 in 2019.

The total value of winegrapes in 2020 decreased by $5 million to $19.5 million as a result of the lower production, although this was partly offset by an overall increase in the average purchase value of grapes, which increased by 7 per cent from $1520 to $1626 per tonne.

There were increases in average prices for the three largest varieties: Pinot Noir up by 16 per cent to $1865 per tonne, Sauvignon Blanc up 4 per cent to $1440 per tonne and Chardonnay up by 3 per cent to $1689 per tonne.

The price dispersion data shows a big upward shift in prices paid, with 72 per cent of red grapes being sold at $1500 per tonne or above compared with 50 per cent in 2019, and 61 per cent of whites being sold in the same price range compared with 47 per cent in 2019.

There were 18 hectares of new vines planted in the region in the 2019-20 season compared with 56 hectares in the previous season. The plantings were predominantly split between the major varieties Pinot Noir, Sauvignon Blanc and Chardonnay.

The total vineyard area in the Adelaide Hills as at 30 April 2020 is 3760 hectares – a small net reduction since 2019 (3830 hectares) and 100 hectares below the total area five years ago.

Adelaide Hills

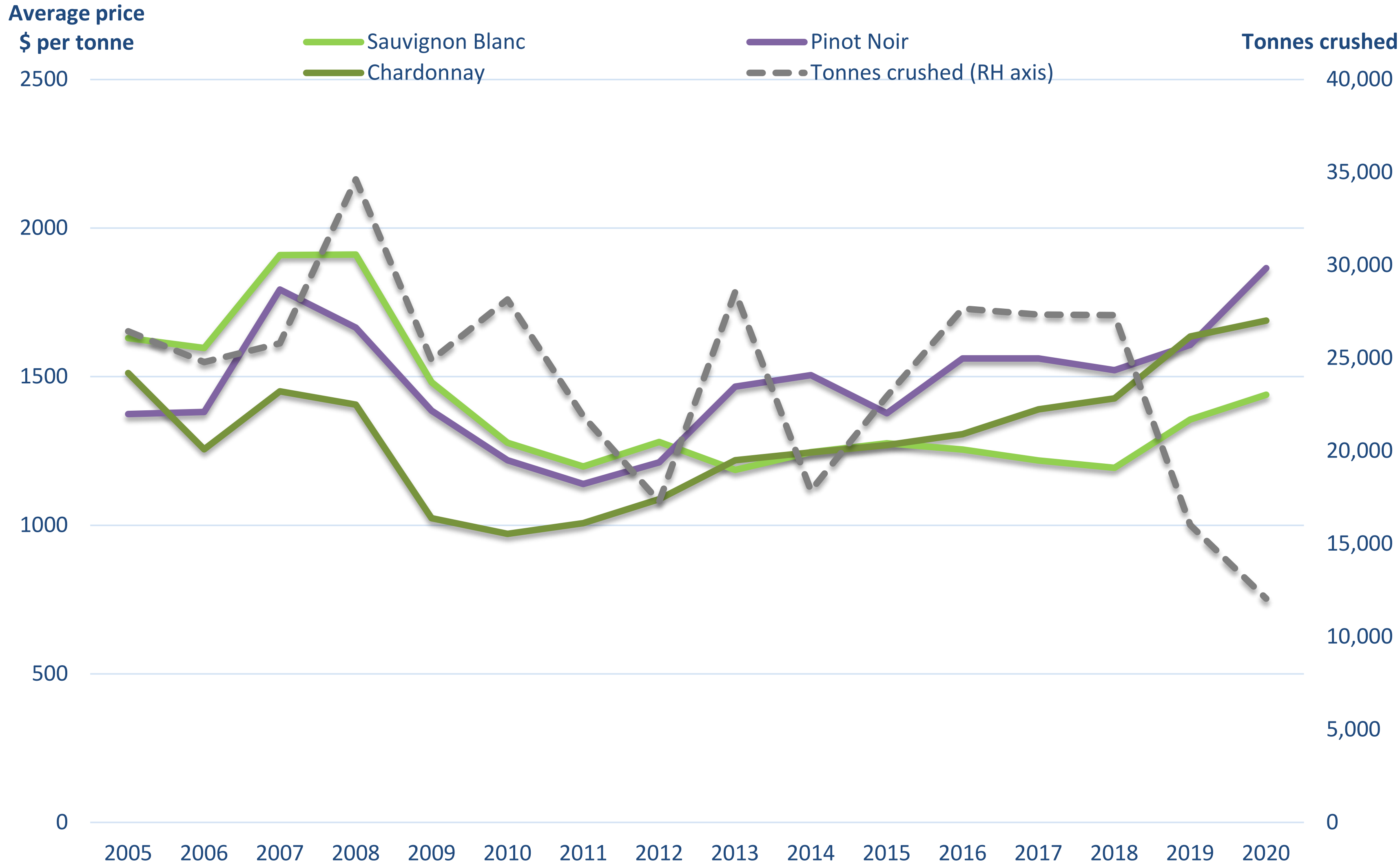
Winegrape intake summary table

	Total tonnes purchased	Price dispersion - number of tonnes in each price range: < $300	$300 to <$600	$600 to <$1500	$1500 to <$2000	$2000+	total value purchased grapes	Average purch. value per tonne	Change in price YoY	Winery grown fruit	Share of winery grown	Total crushed	Est total value ALL grapes
Red													
Barbera	3					3				6	68%	9	$18,951
Cabernet Franc	1				1					8	93%	9	$14,386
Cabernet Sauvignon	183			74	64	45	$296,853	$1,623	-9%	112	38%	294	$478,006
Malbec	2				2						0%	2	$2,816
Mataro/Mourvedre										4	100%	4	$7,293
Merlot	267			230	37		$284,819	$1,066	3%	11	4%	278	$296,252
Montepulciano	7				7						0%	7	$12,040
Nebbiolo	8				8					30	80%	38	$71,934
Nero d'Avola	3					3					0%	3	$5,600
Petit Verdot	7				7						0%	7	$10,400
Pinot Meunier	76				48	29	$144,699	$1,894	22%		0%	76	$144,699
Pinot Noir	1,984		21	439	864	660	$3,700,662	$1,865	16%	440	18%	2,424	$4,522,302
Sangiovese	32			4	23	5	$52,102	$1,605	7%	1	3%	33	$53,611
Shiraz	511			119	82	310	$1,048,022	$2,053	-3%	349	41%	859	$1,763,876
Tempranillo	49				20	29	$97,222	$1,983	0%	9	16%	58	$115,899
Other red	17				7	10	$36,432	$2,132	7%	12	41%	29	$62,016
Red total	**3,148**		**21**	**866**	**1,169**	**1,093**	**$5,713,069**	**$1,815**	**14%**	**982**	**24%**	**4,131**	**$7,580,080**
White													
Chardonnay	1,619			493	670	457	$2,734,886	$1,689	3%	462	22%	2,082	$3,515,957
Fiano	5		4			1					0%	5	$4,020
Gewurztraminer										1	100%	1	$1,333
Gruner Veltliner	70				44	24	$140,505	$2,002	1%	42	38%	112	$224,958
Muscat a petits grains blancs	4			4							0%	4	$3,328
Pinot Gris/Grigio	910		36	484	290	85	$1,299,292	$1,427	-7%	297	25%	1,208	$1,723,400
Prosecco										19	100%	19	$15,727
Riesling	57				16	41	$115,646	$2,032	57%	23	29%	80	$161,857
Roussanne										3	100%	3	$4,777
Sauvignon Blanc	2,683		20	1,035	1,479	136	$3,861,458	$1,439	6%	1,491	36%	4,173	$6,007,035
Semillon	93			83	10		$98,525	$1,065	7%	63	40%	155	$165,504
Vermentino	4			4							0%	4	$5,083
Viognier	17			11	6		$20,326	$1,177	-3%	10	36%	27	$31,872
Other white	21				21	1	$36,232	$1,692	6%	24	53%	45	$76,395
White total	**5,484**		**60**	**2,114**	**2,535**	**745**	**$8,320,682**	**$1,517**	**3%**	**2,435**	**31%**	**7,918**	**$11,941,245**
Grand total	**8,632**		**80**	**2,981**	**3,704**	**1,838**	**$14,033,486**	**$1,626**	**7%**	**3,417**	**28%**	**12,049**	**$19,521,325**

Note: Where there are fewer than three purchasers of a variety, the average price and total value are not reported to protect confidentiality.

Adelaide Hills

Historical weighted average price vs tonnes crushed



Adelaide Hills

Current plantings by variety and year planted

Variety	*Pre-2017*	*2017*	*2018*	*2019*	*Total area*	*% planted in 2019*
Red winegrapes						
Cabernet Franc	8	0	0	0	8	0%
Cabernet Sauvignon	196	18	0	0	214	0%
Grenache	2	0	0	0	2	0%
Merlot	140	0	0	0	140	0%
Meunier (Pinot Meunier)	21	0	0	0	21	0%
Nebbiolo	11	0	2	1	14	7%
Pinot Noir	642	7	14	5	668	1%
Sangiovese	13	0	1	0	14	0%
Shiraz	362	4	14	0	380	0%
Tempranillo	30	2	0	0	32	0%
Other Red	35	1	4	2	42	5%
Total red varieties	**1,460**	**32**	**35**	**8**	**1,535**	**1%**
White winegrapes						
Chardonnay	800	11	4	4	819	0%
Gruner Veltliner	18	1	0	0	19	0%
Pinot Gris	245	5	5	0	255	0%
Riesling	53	1	1	0	55	0%
Sauvignon Blanc	902	11	0	4	917	0%
Semillon	35	0	0	0	35	0%
Traminer (Gewurztraminer)	20	0	0	0	20	0%
Viognier	21	0	0	0	21	0%
Other White	39	3	3	2	47	4%
Total white varieties	**2,133**	**32**	**13**	**10**	**2,188**	**0%**
Rootstock Block	2	0	0	0	2	0%
Unknown variety	27	0	8	0	35	0%
Total all varieties	**3,622**	**64**	**56**	**18**	**3,760**	**0%**

Source: Vinehealth Australia

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 Wine Australia.

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 are included in the survey collection process. However, not all wineries respond to the survey - therefore the total tonnage reported may underestimate the true crush. It is estimated that the overall response rate for the survey is 88 per cent; however, individual regions may vary. Generally, regions will have a higher response rate when there is a high proportion of purchased winegrapes within the region.

Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Calculated average purchase value

The survey requests wineries to provide the total amount paid for each parcel of fruit purchased (or the price per tonne). This is the price paid for fruit of a particular variety at the point of receival – not including specific amounts paid for 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 (May-June 2020).

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.

Average and total purchase values are not reported where there are fewer than three purchasers of a variety in a particular region. However the values are included in the calculation of totals for each region.

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.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into price segments according to the price paid for that batch of fruit. The sum of tonnes in all the price segments may not match the total tonnes purchased where there are tonnes reported without an associated price.

Estimated total value of all grapes

The estimated total value of all 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 for the same variety across similar regions, or across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Explanations and definitions - continued

PLANTING DATA

Source of planting data tables

Planting data is not collected by the Australian National Vintage Survey. The information is obtained from the vineyard register maintained by Vinehealth Australia.

Vinehealth Australia is required under the *Phylloxera and Grape Industry Act 1995* to maintain a complete and accurate register of vineyard owners in the state. Vineyard owners with plantings of 0.5 hectares or more are required to register with Vinehealth Australia, and provide details of any changes made to these vineyard plantings within three months of any such change. This information is kept strictly confidential and provided for this survey in a deidentified and aggregated manner.

For more information on the planting data in this report or about registration of vineyards, please contact the Vinehealth Australia office on (08) 8273 0550.

Explanatory notes for planting data tables

To protect confidentiality, the following rules are applied to reporting varieties:

- where there are fewer than 10 registered owners with plantings of a particular variety across the state, that variety is not separately identified in either the state or the regional reports but is grouped with “other red/white”, AND
- where there are fewer than three registered owners with a particular grape variety in a given region, that variety is not separately identified in the regional report but is grouped with “other red/white” unless it is a white variety listed in the top seven, or red variety in the top five by planted area for the state for the current year.

.

- Planting data tables are current as at 30 April 2020 and include all plantings from the 2019–20 planting season.
- Reference to “other varieties” includes rootstock, multi-purpose and table-grape plantings.
- Vines planted in a particular year may include top-worked 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 current report compared with previous reports.
- 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 slight discrepancies in totals.

Acknowledgements

AUSTRALIAN NATIONAL VINTAGE SURVEY

The information for this report has been collected and analysed by Wine Australia as part of the Australian National Vintage Survey. The SA Winegrape Crush Survey Report has been prepared by Wine Australia on behalf of the South Australian Wine Industry Association, Wine Grape Growers South Australia and Primary Industries and Regions SA.

The survey publication is available on Wine Australia's website wineaustralia.com, the Vinehealth Australia website vinehealth.com.au and via links from the Wine Grape Council SA website wgcsa.com.au and the South Australian Wine Industry Association website www.winesa.asn.au.

Credits

Images – Wine Australia
GI maps – Vinehealth Australia

About Wine Australia

Wine Australia supports a competitive wine sector by investing in research, development and adoption (RDA), growing domestic and international markets, protecting the reputation of Australian wine and administering the Export and Regional Wine Support Package (ERWSP).

Wine Australia is an Australian Commonwealth Government statutory authority, established under the *Wine Australia Act 2013*, and funded by grape growers and winemakers through levies and user-pays charges and the Australian Government, which provides matching funding for RDA investments and funds the ERWSP.

Disclaimer

This information has been made available to assist on the understanding that Wine Australia is not rendering professional advice. Wine Australia does not accept responsibility for the results of any actions taken on the basis of the information contained in this report, nor for the accuracy, currency or completeness of any material contained in it. Wine Australia expressly disclaims all and any liability and responsibility to any person in respect of consequences of anything done in respect of reliance, whether wholly or in part, upon this report.

Note: data published in this report supercedes that in earlier reports. Minor variations in reported figures can occur due to data revisions.

Any questions about the report should be directed to:

Wine Australia Market Insights
+61 8 8228 2000
Market.Insights@wineaustralia.com