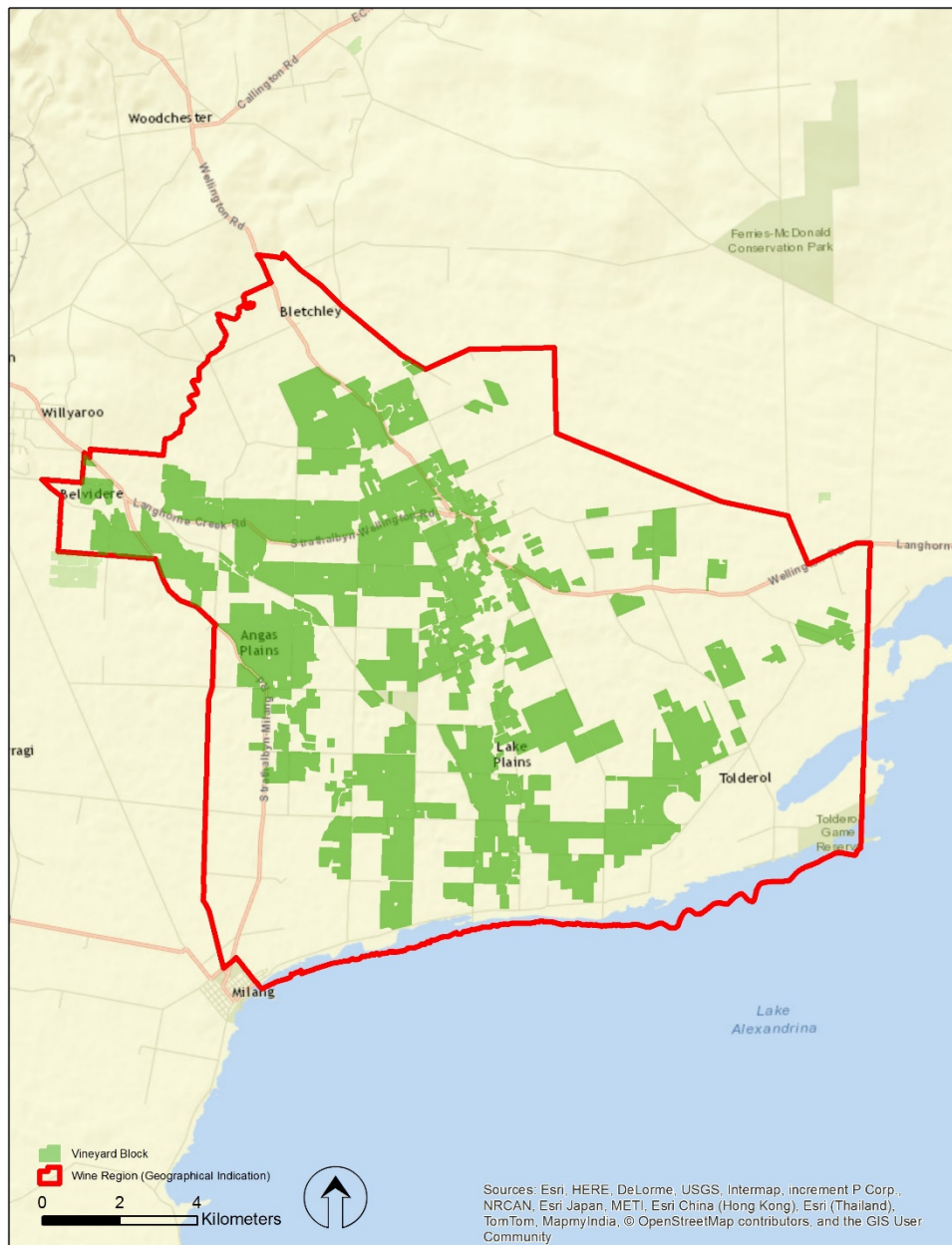


SA Winegrape Crush Survey 2019

Regional Summary Report

Langhorne Creek Wine Region

Wine Australia July 2019



DATUM: GDA94
PROJECTION: MGA Zone 54
DATE: 3rd August 2017
SOFTWARE: ESRI ArcGIS v10.4
DATA SOURCE:
Vineyard Block - Vinehealth Australia
Wine Region - Wine Australia

**Langhorne Creek
Wine Region**

 **Vinehealth
AUSTRALIA**

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Langhorne Creek

Vintage overview

VINTAGE REPORT

In summary, 2019 was a somewhat compressed, but trouble free harvest in Langhorne Creek with excellent wine quality.

Annual rainfall (264mm), especially winter rainfall, was well below average, in keeping with trends throughout the country. All months experienced below average rainfall except November and December. Oddly, December was the highest rainfall month for the year at 47mm. This helped with setting up canopies for the warm summer ahead.

The summer was dry and hot, with 46.7°C recorded on the 24th of January in nearby Strathalbyn, setting a new record; a common story across South Australia. The early season weather gave the impression that the region may suffer crop losses reflective of 2009; however good irrigation management and luck prevailed. Overall the region did suffer some losses with the reduced quantity compensated for by improved quality. The reliable, cooling southerly breezes most evenings during the summer and autumn ripening periods made the difference yet again.

Vineyard management was extremely important this year given the trying conditions. Low rainfall helped manage disease pressure and reduced excess vigour on floodplain blocks, but many crops were a bit light.

The warmer than average conditions encouraged growers to harvest quickly to capture natural acidity and fresh fruit flavours. Harvest began for whites in the region in the first week of February and reds commenced around the third week of February. 2019 saw a rapid harvest with a good portion of fruit picked within five weeks. Harvest continued beyond this to mid-April for those seeking fuller bodied wines.

Yields have ranged from full crop to a complete write-off; luckily, both ends of the spectrum were rare. We estimate that in 2019, Langhorne Creek will have lower than average overall yields.

Lian Jaensch, Langhorne Creek Grape and Wine Incorporated

OVERVIEW OF VINTAGE STATISTICS

The harvest from the Langhorne Creek region in 2019 was 43,137 tonnes, 3 per cent lower than the 2018 crush of 44,695 tonnes.

There were 47 respondents to the survey who reported crushing grapes from Langhorne Creek in 2019, compared with 41 in 2018.

Over the past five years (2014-2018), the average crush for Langhorne Creek has been 50,303 tonnes. The highest was 60,119 tonnes in 2016, while the lowest was 38,921 tonnes in 2015. This year's vintage was 14 per cent below the average.

The value of fruit from the region was estimated to be just under \$45 million, compared with \$40 million in 2018, with the slightly lower tonnage offset by a 16 per cent higher overall average purchase value. All the major red varieties increased in value, with Cabernet Sauvignon up 17 per cent to \$1136 per tonne and Shiraz up 16 per cent to \$1204 per tonne. The average price for Cabernet Sauvignon is now at its highest since 2003. Chardonnay also increased – up 6 per cent to \$586 per tonne, and Pinot Gris increased 3 per cent to \$966 per tonne – reversing an equal decrease in 2018.

The price dispersion data shows an upward shift in prices, with 5 per cent of red tonnages purchased at \$1500 per tonne or higher, compared with 1 per cent. For the whites, 59 per cent were purchased at \$600 per tonne or above, compared with 40 per cent in 2018.

There were 60 hectares of new plantings in Langhorne Creek in the 2018 planting season, 45 hectares being Shiraz.

The total area planted as at 30 April 2019 was 5,959 hectares compared with 5,895 hectares in 2013. More than two-thirds of all plantings are Cabernet Sauvignon and Shiraz.

Langhorne Creek

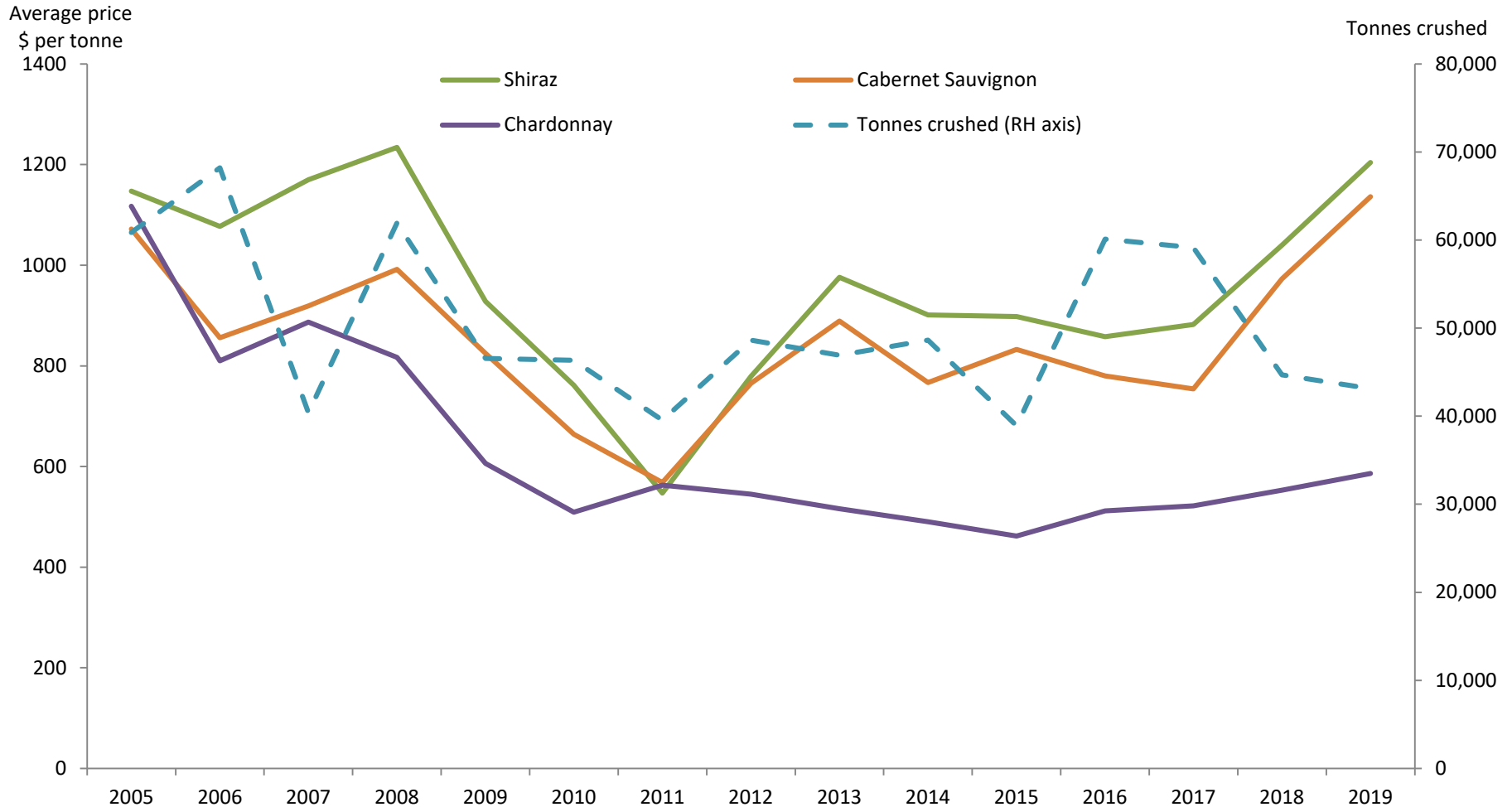
Winegrape intake summary table

	Total tonnes purchased	Price dispersion - number of tonnes in each price range					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
		< \$300	\$300 to <\$600	\$600 to <\$1500	\$1500 to <\$2000	\$2000+							
Red													
Barbera	3			3							0%	3	\$2,232
Cabernet Franc	5			5							0%	5	\$4,160
Cabernet Sauvignon	8,318			7,970	295	53	\$9,448,447	\$1,136	17%	4,493	35%	12,812	\$14,552,209
Dolcetto	59			59			\$44,612	\$758		33	36%	92	\$69,632
Durif	8			8						212	96%	220	\$208,848
Grenache	110			110			\$79,634	\$723	-2%	513	82%	623	\$450,238
Lagrein	37			37			\$38,029	\$1,022	2%		0%	37	\$38,029
Malbec	665			580	83	2	\$794,189	\$1,194	20%	49	7%	714	\$853,180
Mataro/Mourvedre	43			43						4	9%	47	\$37,864
Merlot	2,017			2,017			\$1,805,267	\$895	15%	2,161	52%	4,178	\$3,739,294
Montepulciano										8	100%	8	\$13,096
Petit Verdot	4			4						25	85%	30	\$29,890
Pinot Meunier	49			49							0%	49	\$38,864
Pinot Noir	639			639			\$513,278	\$803	1%	531	45%	1,170	\$939,931
Sangiovese	58			58						70	55%	128	\$153,336
Shiraz	9,863			9,153	595	115	\$11,877,240	\$1,204	16%	5,759	37%	15,622	\$18,811,987
Tempranillo	11			11							0%	11	\$9,568
Other red	20				20					3	14%	24	\$42,408
Red Total	21,911			20,746	994	171	\$24,808,024	\$1,132	16%	13,862	39%	35,773	\$39,994,766
White													
Chardonnay	3,287		1,666	1,621			\$1,925,846	\$586	6%	781	19%	4,068	\$2,383,525
Chenin blanc										6	100%	6	\$5,275
Fiano	4				4					38	91%	42	\$72,216
Gewurztraminer										209	100%	209	\$172,329
Muscat Blanc a Petits Grains										8	100%	8	\$8,141
Pinot Gris/Grigio	322			322			\$310,887	\$966	3%	122	27%	443	\$428,493
Riesling	92		92							1,500	94%	1,592	\$955,200
Sauvignon Blanc	569			569			\$421,220	\$741		324	36%	893	\$661,296
Verdelho										68	100%	68	\$66,063
Vermentino	32			32						3	8%	35	\$34,017
White Total	4,305	-	1,758	2,544	4	-	\$2,751,340	\$639	5%	3,058	42%	7,364	\$4,786,555
Grand Total	26,216	-	1,758	23,290	998	171	\$27,559,364	\$1,051	16%	16,920	39%	43,137	\$44,781,320

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

Langhorne Creek

Historical weighted average price vs tonnes crushed



Langhorne Creek

Current plantings by variety and year planted

Variety	Year planted				Total area (ha)	% planted in 2018
	Pre-2016	2016	2017	2018		
Red winegrapes						
Cabernet Franc	8	0	0	0	9	0%
Cabernet Sauvignon	1,892	18	4	15	1,929	1%
Dolcetto	11	0	0	0	11	0%
Grenache	78	0	0	0	78	0%
Lagrein	10	0	0	0	10	0%
Malbec	100	0	0	0	100	0%
Merlot	386	0	0	0	386	0%
Nebbiolo	8	0	0	0	8	0%
Petit Verdot	13	0	0	0	13	0%
Sangiovese	30	0	0	0	30	0%
Shiraz	2,200	24	2	45	2,271	2%
Other Red	146	5	2	0	153	0%
TOTAL RED WINEGRAPES	4,882	47	8	60	4,998	1%
White winegrapes						
Chardonnay	518	0	0	0	518	0%
Pinot Gris	49	4	0	0	53	0%
Riesling	162	0	0	0	162	0%
Sauvignon Blanc	80	0	0	0	80	0%
Semillon	4	0	0	0	4	0%
Verdelho	36	0	0	0	36	0%
Viognier	18	0	0	0	18	0%
Other White	34	0	0	0	34	0%
TOTAL WHITE WINEGRAPES	901	4	0	0	905	0%
Rootstock Block	6	0	0	0	6	0%
Unknown variety	50	0	0	0	50	0%
TOTAL ALL VARIETIES	5,839	51	8	60	5,959	1%

Source: Vinehealth Australia

Explanations and definitions

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.

Maps and planting data tables are provided by Vinehealth Australia (see notes on planting data tables).

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 winesa.com.au

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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
+618 8228 2000
Market.insights@wineaustralia.com



Explanations and definitions - continued

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 receipt – 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 (May-June 2019).

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.

Explanatory notes for planting data tables

Regions are defined according to the Register of Australian Geographical Indications.

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 six, 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 2019 and include all plantings from the 2018-19 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.

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.