2014 Regional Results

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Sustainable AUSTRALIA WINEGROWING MCLAREN VALE

McLAREN VALE

Credits

Publisher

McLaren Vale Grape, Wine & Tourism Association

(www.mclarenvale.info)

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Summary

Sustainable Australia Winegrowing had its genesis in 2009 with the launch of Generational Farming. Today it is recognised as the leading programme of its type in Australia, sought after by operators and regions across the country. The spirit and intent of its creation is being propagated by McLaren Vale offering it and the learnings achieved along the way to the Australian wine community, reinforcing the region's leadership of, and commitment to the future of Australian wine.

Sustainability does not work in isolation, nor do programmes such as Sustainable Australia Winegrowing come to fruition by the efforts of one individual alone. It is therefore important to acknowledge the contribution of each and every one of you whose input and participation over the last five years has made the programme what it is today and provided the impetus for what it can be tomorrow. That having been said, the contribution to the success of Sustainable Australia Winegrowing made by Dr Irina Santiago-Brown warrants specific mention, as her intellect, tenacity and commitment have ensured that McLaren Vale is in possession of this unique programme and is recognised as the leader in sustainable viticulture in Australia.

Congratulations to all participants — take the time to review the results, learn from them, take action and renew your commitment to the continuous improvement of your business and that of McLaren Vale.

Marc Allgrove
Consultant CEO
McLaren Vale Grape Wine & Tourism Association

SAW—Sustainable Australia Winegrowing

This year was a major step in the evolution of McLaren Vale's Sustainable Australia Winegrowing program and its contribution to the local and national wine community.

Since its establishment five years ago, and remaining at the heart of the program today, was an ambition to change the way growers think and approach the management of their vineyards, the long term viability of McLaren Vale as a wine producing region, along with the need to ensure that continuous improvement under pinned the results and the development of Sustainable Australia Winegrowing.

This year, the programme produced a 9.1% improvement (against 2013 results) in overall sustainability amongst participants, established itself as the only sustainability system for viticulture in Australia, broadened its audience across the country and became accredited to the Winemakers Federation of Australia's Entwine trust mark.

At a more granular level the system evolved to include a chapter on economic sustainability and an integrated action plan to guide behaviour.

Furthermore, the system generated significant interest from Primary Industries and Regions South Australia along with several horticulture and agriculture industries including Potatoes SA, who recognised the benefit and potential to adapt Sustainable Australia Winegrowing to the specific requirements of their sector.

These achievements and the expansion of the programme beyond McLaren Vale's borders would not have been realised without the support of the local grape growing community during the development phase of the system and throughout its implementation. It is upon this base that the future of Sustainable Australia Winegrowing will be evolved and its contribution maintained. This commitment was reinforced by the high attendance numbers at the growers' course in September, delivered in partnership with the local National Resource Management board.

THE FACTS IN 2014

Sustainable Australia Winegrowing represented 116 McLaren Vale growers in 2014, covering over 4,000 hectares across the region or 185 distinct vineyard sites. These sites are 38% of the area under vine in the region, producing over 50% of McLaren Vale's grape crush or 2.4% of South Australia's vintage.

On a varietal basis, the importance of Shiraz to McLaren Vale was reinforced with 54.4% of the vineyard area represented planted to this variety, and almost 90% of the acreage committed to red grape production. In fact, Shiraz, Cabernet Sauvignon, Grenache and Mourvedre accounted for just over 82% of the production participating in the programme. Further evidence of the value of the programme can be found in the prices wines produced from these vineyards are achieving in the market with over 65% of the red wines produced selling for over $15 a bottle, with almost 40% selling

Results 2014

The Representation

The relevance of the programme and the importance of broad based input from regional operators in the development of systems such as Sustainable Australia Winegrowing were reinforced in 2014. The full spectrum of farming systems from conventional (22.4%) to certified biodynamic production (4.3%) are represented in the results, with low input conventional practices including IPM principles almost 60% of participants. Furthermore, almost 50% of Sustainable Australia Winegrowing members farmed vineyards of 10 hectares or less with only 4.3% operating properties in excess of 100 hectares—reflective of the greater Australian wine industry.

Importantly continuous improvement was very evident across all assessment parametres with category 4 (excellent) sustainability rising from 19.3% to 25.9% whilst category 2 (good) fell to 11.3% from 22.7% as participant practices improved.

The Assessment

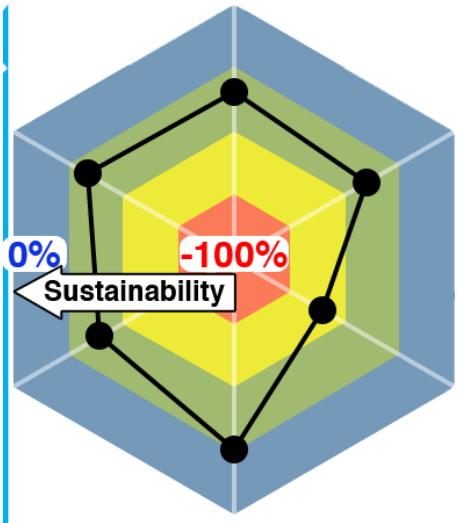
The results in 2014 were impressive for the overall result, a 9.1% improvement in sustainability, as well as the specific increases in all seven of the measured categories. Pest and disease management amongst participants led the increases with a 12.5% improvement, with soil health (+10.43%) and the management of waste (+9.10%), biodiversity (+8.7%) and water (+3.2%) all making significant contributions.

Importantly the value of measuring development on a social and economic level also gained support. The social relations component of Sustainable Australia Winegrowing returned an 8% improvement, whilst economic sustainability introduced in 2014—although not mandatory—generated involvement by almost 80% of participants.

How to read the graphs

Where to find these graphs in the online system

The graphs for each individual member and region can be easily found in the online system as soon as the results are released. The graphs are located in the "report" section of the system. Users can select to view reports in up to three columns to facilitate the comparison between years and keep track of their individual and regional performances. Regional results published in this report reflect the date of its publication. The online system automatically updates the regional reports as any individual data is changed. In this situation, a slight variation between the data published in this report and the online system may occur after the individual growers auditing process by independent third party auditors.

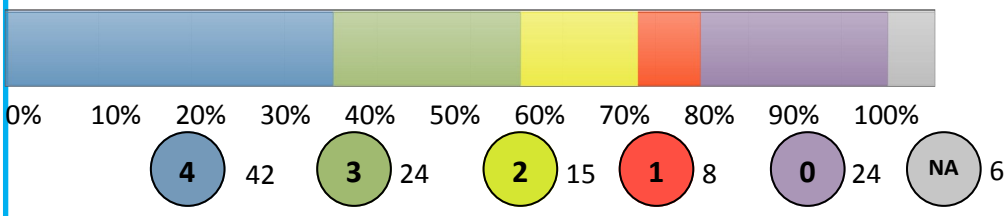


Spider Graphs

The spider graphs show values relative to the maximum 'perfect score' that can be achieved. The attributed weight (importance) for each item is taken into consideration and is displayed on the table below the graphs.

Results are shown as percentage change between maximum possible points and the score for the specific member or region. The centre of the graph represents -100% (minus one hundred percent), the worst possible result or least sustainable situation. The outer edge of the graph represents 0% (zero percent), the best possible result, i.e. 'perfect score' or most sustainable situation. The closer to zero (the outer edge), the better the result! The sustainability journey is about moving from the centre to the edge of the spider graph.

Stacked 100% Bar Graphs



The Stacked 100% Bar Graphs show the count of absolute values for each topic. The attributed weight (importance) for each item is not taken into consideration.

The count above shows how many members responded in each category. The graph results are shown in percentages of the total, out of 100%.

The graph compares the percentage that each value contributes to a total, across each of the categories.

How to interpret the results and colours

Each colour represents a category of the workbook, varying from grey (non-applicable) through 0 to 4. The aim is to move from the right to the left as shown in the image below.

Members: sites, production & areas under vine

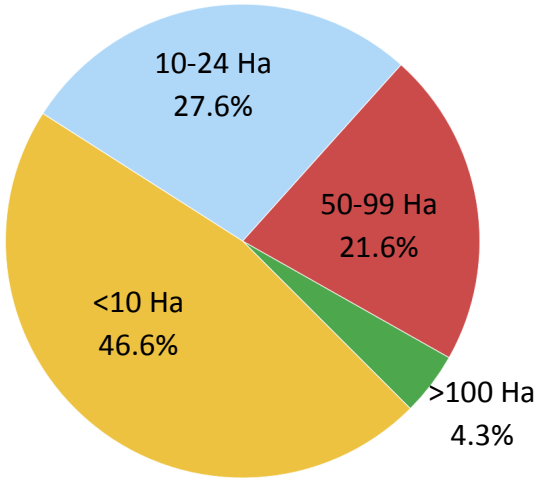
Snapshot

Members	116
Distinct Vineyard Sites	185
TOTAL FARM area (ha)	3,987
TOTAL area UNDER VINE (ha)	2,791
Area under RED grapes (ha)	2,478
Area under WHITE grapes (ha)	226
RED grape production (t)	15,315
WHITE grape production (t)	1,670
Average RED grape productivity (t/ha)	6.2
Average WHITE grape productivity (t/ha)	7.4

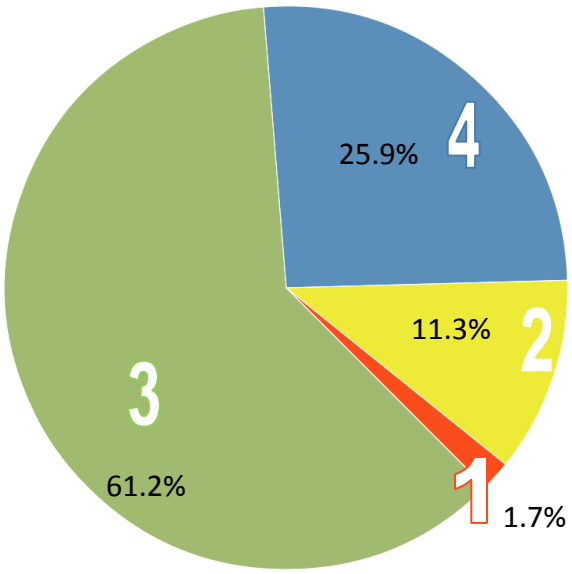
	South Australia	McLaren Vale	SAW	Comparisons		
				SAW vs South Australia	SAW vs McLaren Vale	McLaren Vale vs South Australia
TOTAL grapes (t)	706,017	33,092	16,985	2.4%	51.3%	4.7%
Total RED (t)	429,982	29,484	15,315	3.6%	51.9%	6.9%
Total WHITE (t)	276,035	3,608	1,670	0.6%	46.3%	1.3%
TOTAL under vine area (ha)	76,156	7,422	2,791	3.7%	37.6%	9.7%
RED area (ha)	53,831	6,314	2,478	4.6%	39.3%	11.7%
WHITE area (ha)	21,181	890	226	1.1%	25.4%	4.2%
Others (unknown, rootstocks, etc)	970	218	87	9.0%	39.8%	22.5%

Note: South Australian data from the SA Winegrape Crush Survey Regional 2014. The Phylloxera Board estimates that the non-response rate for McLaren Vale is 19%.

Members by size (total area under vine)



Factsheet: members, farming system & sizes

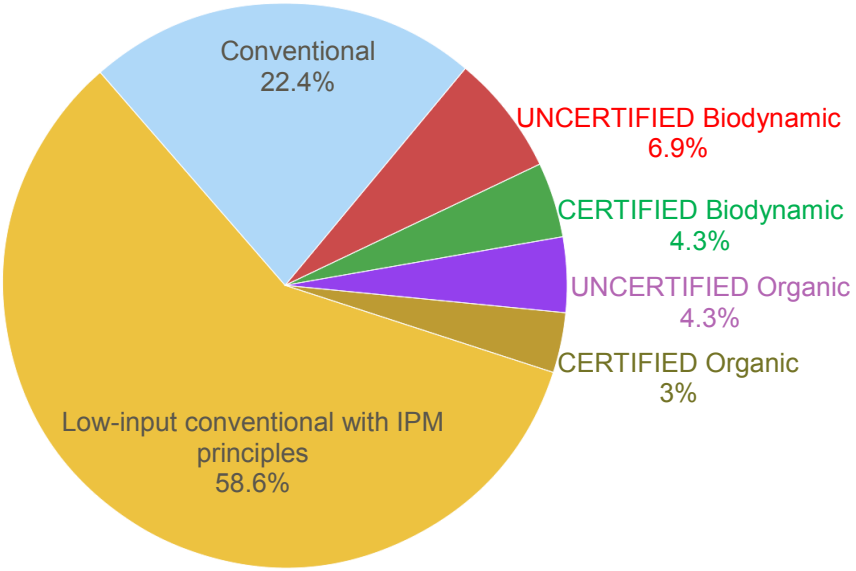


SAW was created with the assumption that growers have different levels of sustainability. The assessment method places growers in four distinct categories which express their sustainability level according to a colour code, correlating results from the assessment with a level as follows:

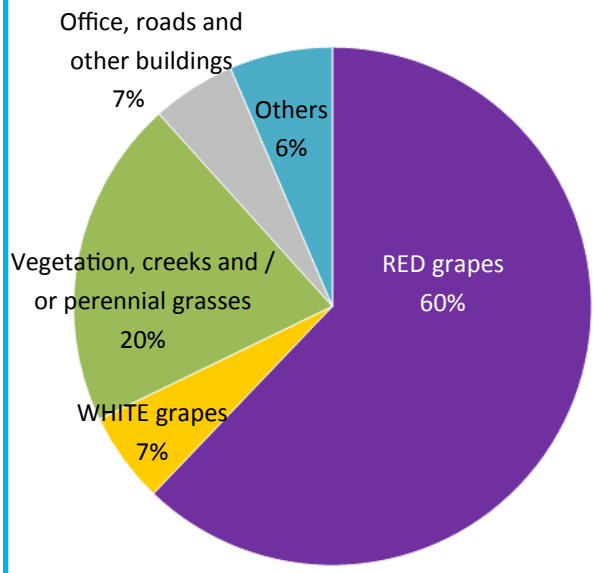
- 4 Excellent
- 3 Very Good
- 2 Good
- 1 Needs Attention

The pie chart on the left shows the number of members by sustainability category. The majority of members (61.2%) are in the Green category.

Farming System

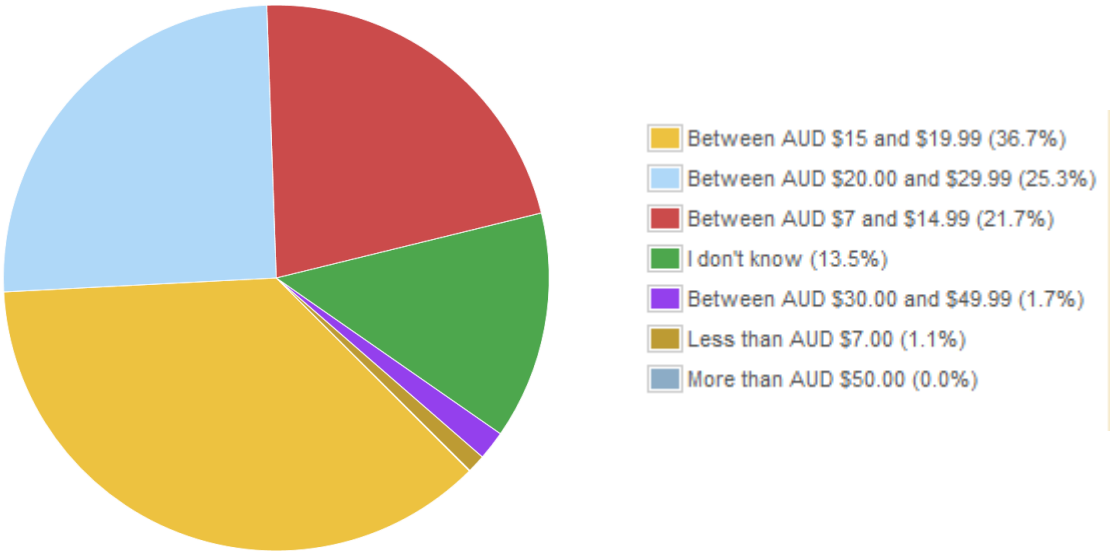


Land Use

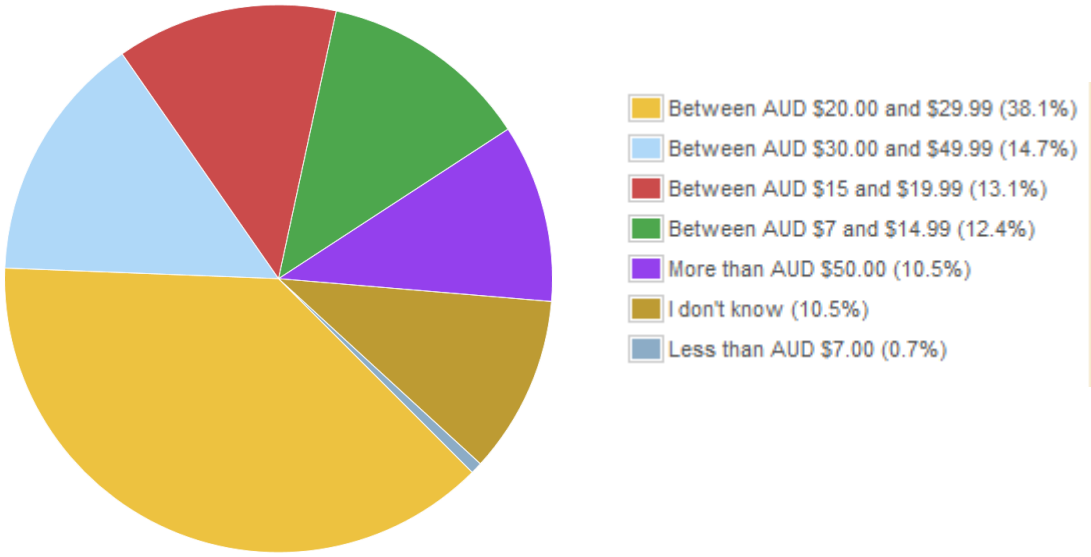


Wines

2013-14 White wine retail prices

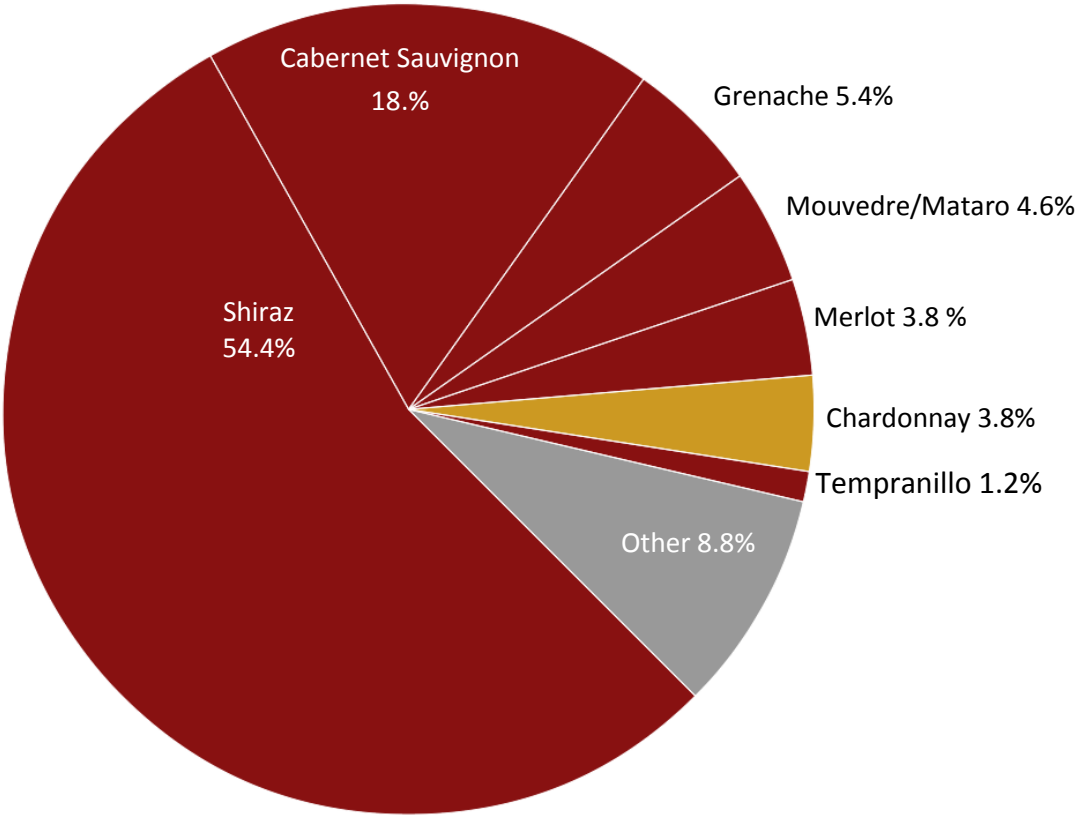


2013-14 Red wine retail prices

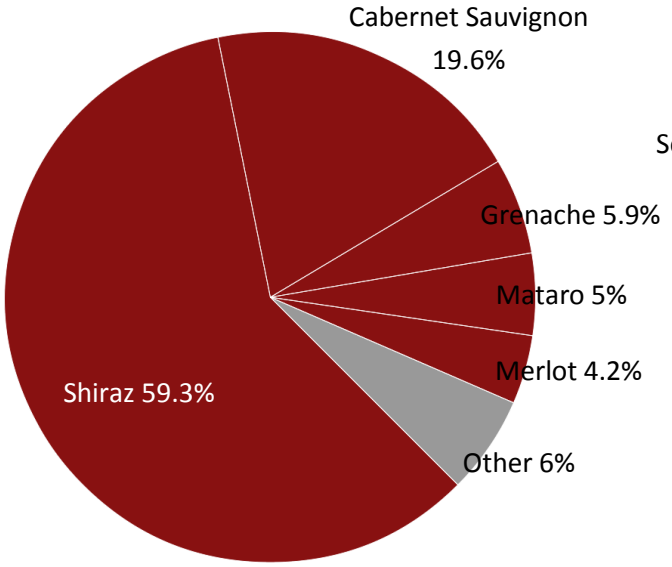


Grapes (area under vine)

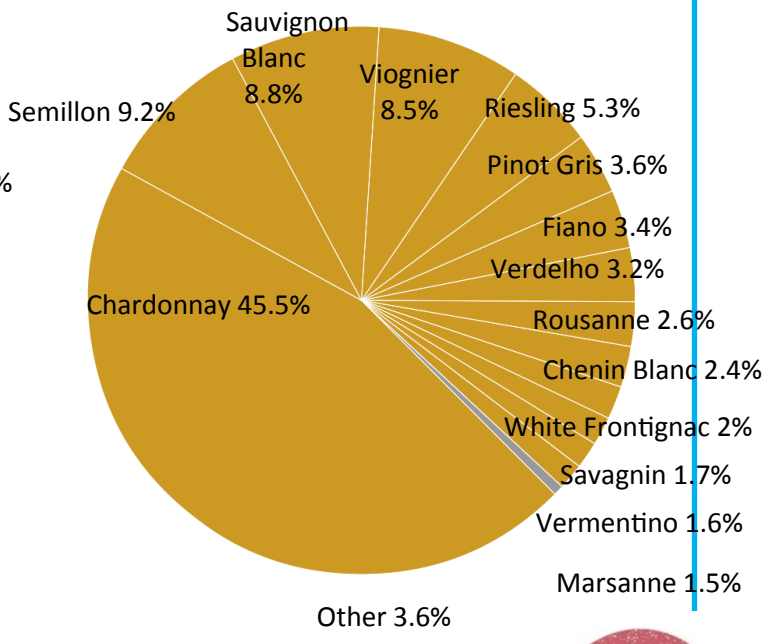
ALL



ONLY REDS



ONLY WHITES



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All Chapters

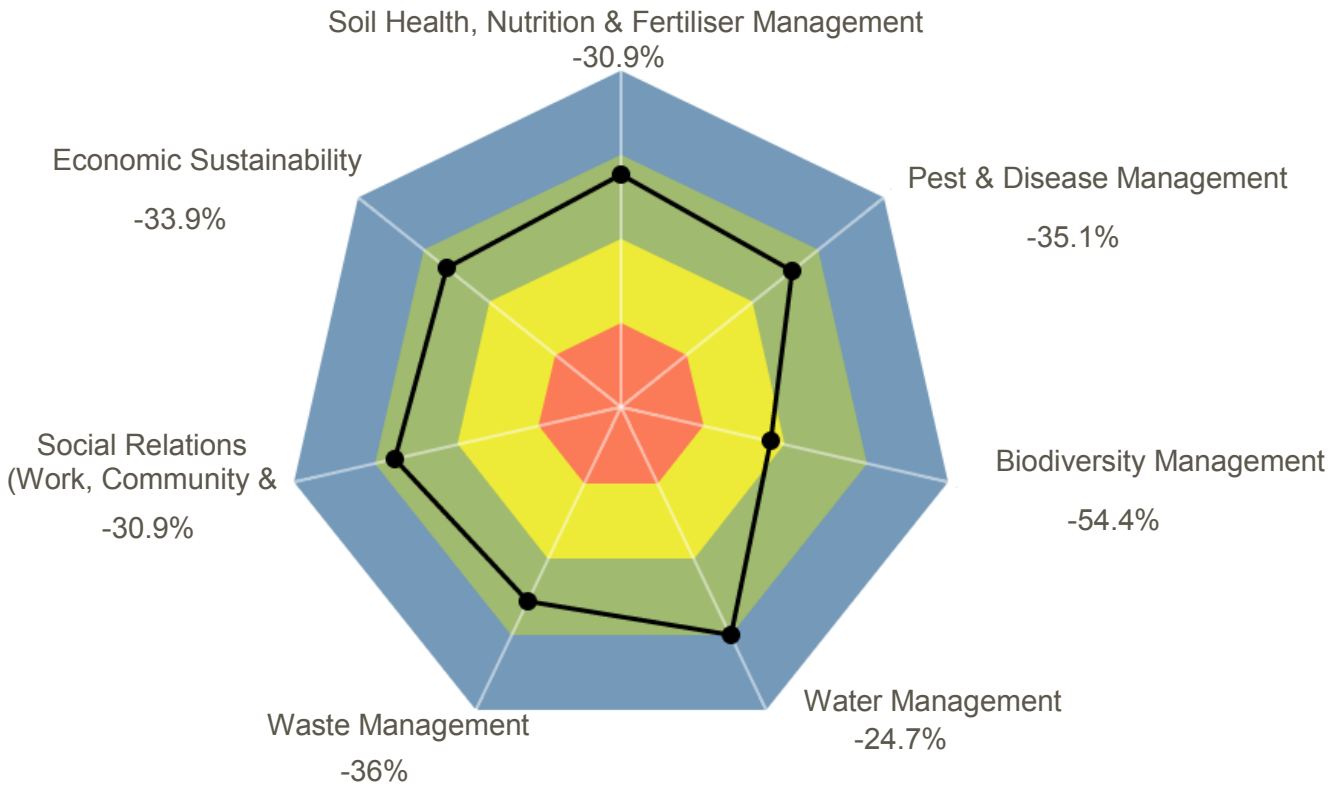
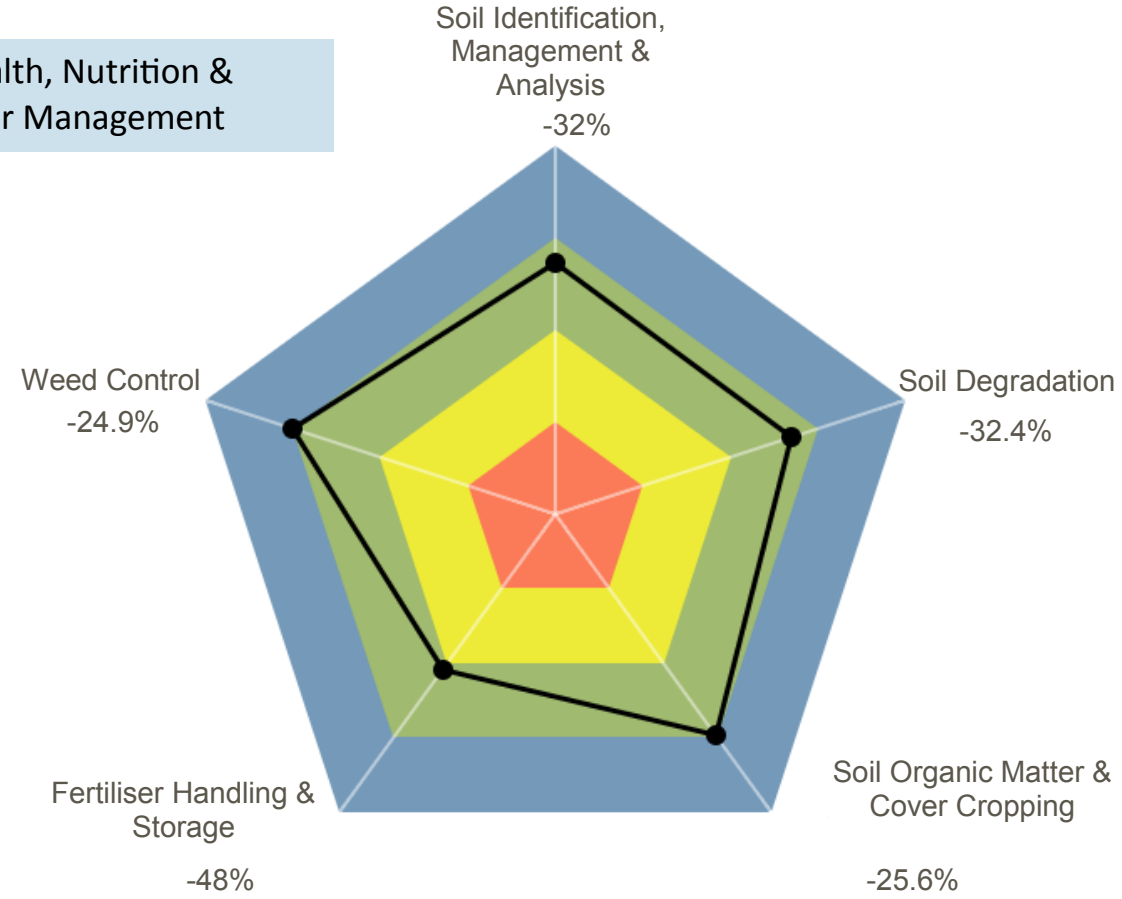


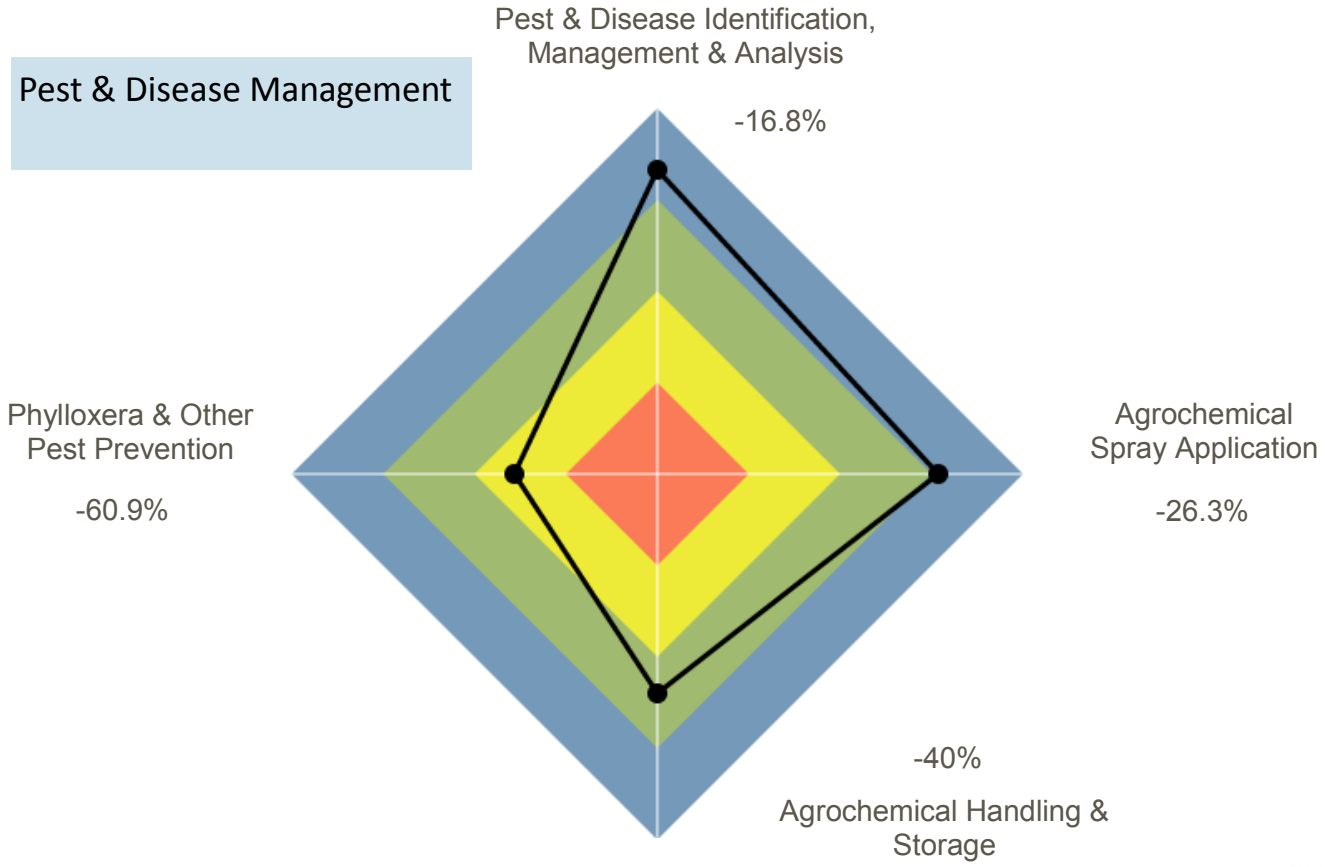
Table 1. Comparison between 2011/13 to season 2012/14

Chapter	Gap to reach the 'Perfect Score' Previous season 2012/13	Gap to reach the 'Perfect Score' Current season 2013/14	% Change Previous vs Current Season	
Soil Health, Nutrition & Fertiliser Management	-34.5%	-30.9%	10.43%	improvement
Pest & Disease Management	-40.1%	-35.1%	12.50%	improvement
Biodiversity Management	-59.6%	-54.4%	8.70%	improvement
Water Management	-25.5%	-24.7%	3.20%	improvement
Waste Management	-39.6%	-36.0%	9.10%	improvement
Social Relations (Work, Community & Wineries)	-33.6%	-30.9%	8%	improvement
Economic Sustainability	NA	-33.9%	NA	NA
Overall annual IMPROVEMENT	**-38.7%**	**-35.2%**	**9.10%**	**improvement**

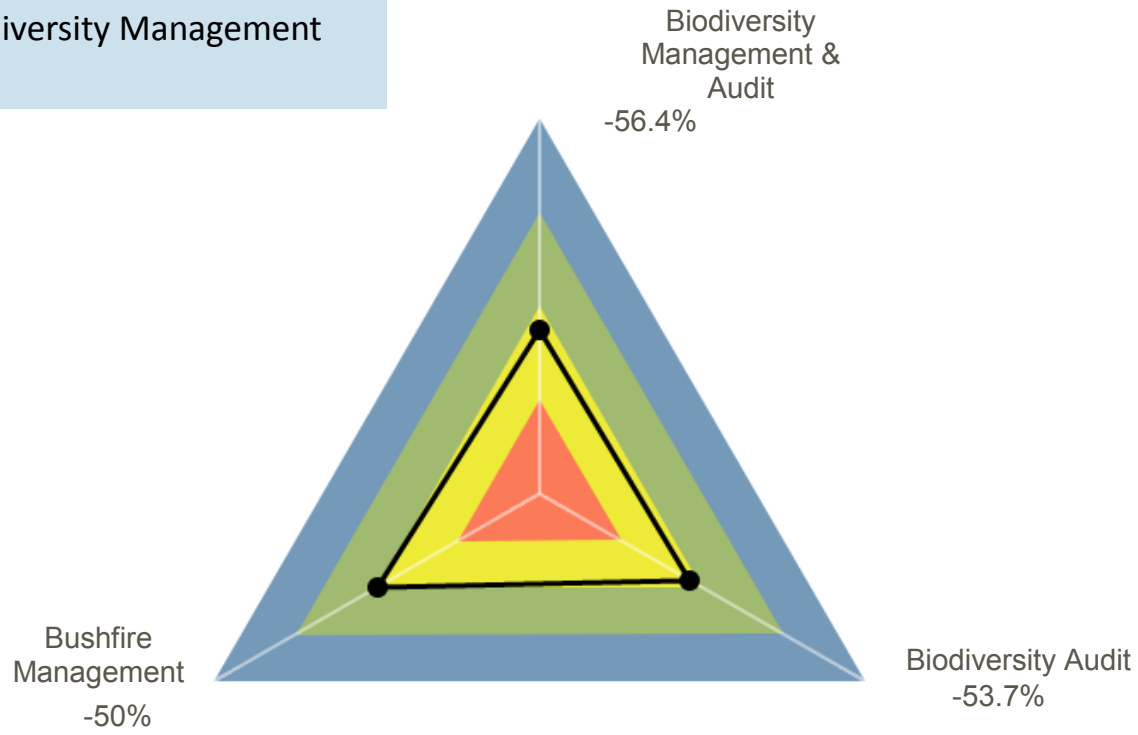
Soil Health, Nutrition & Fertiliser Management



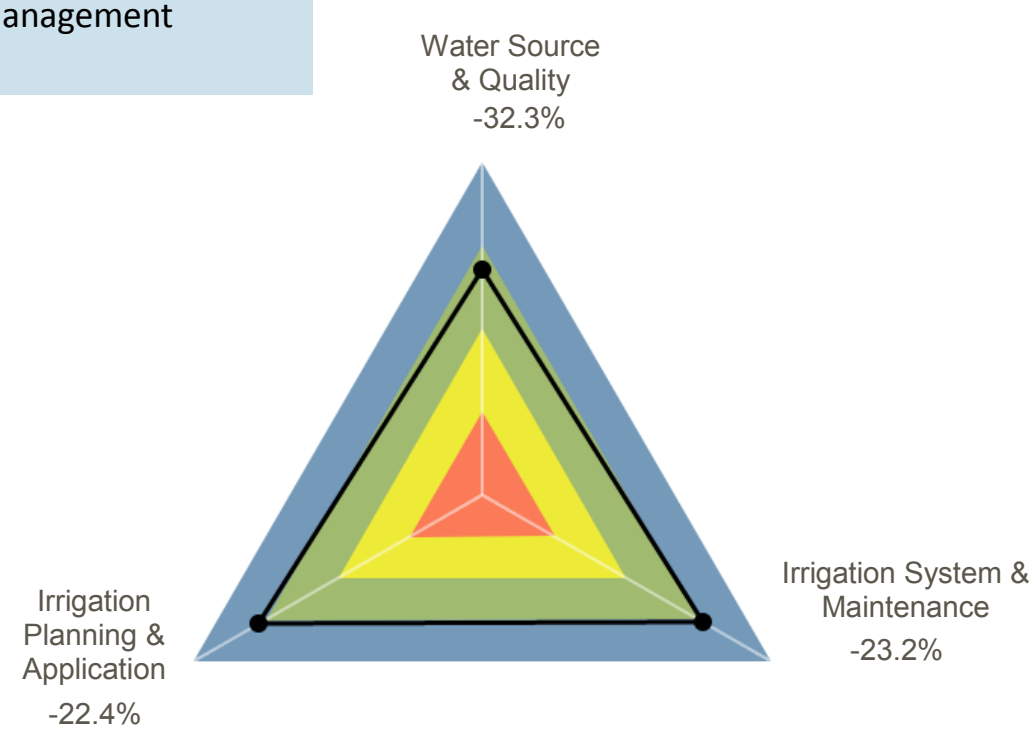
Pest & Disease Management



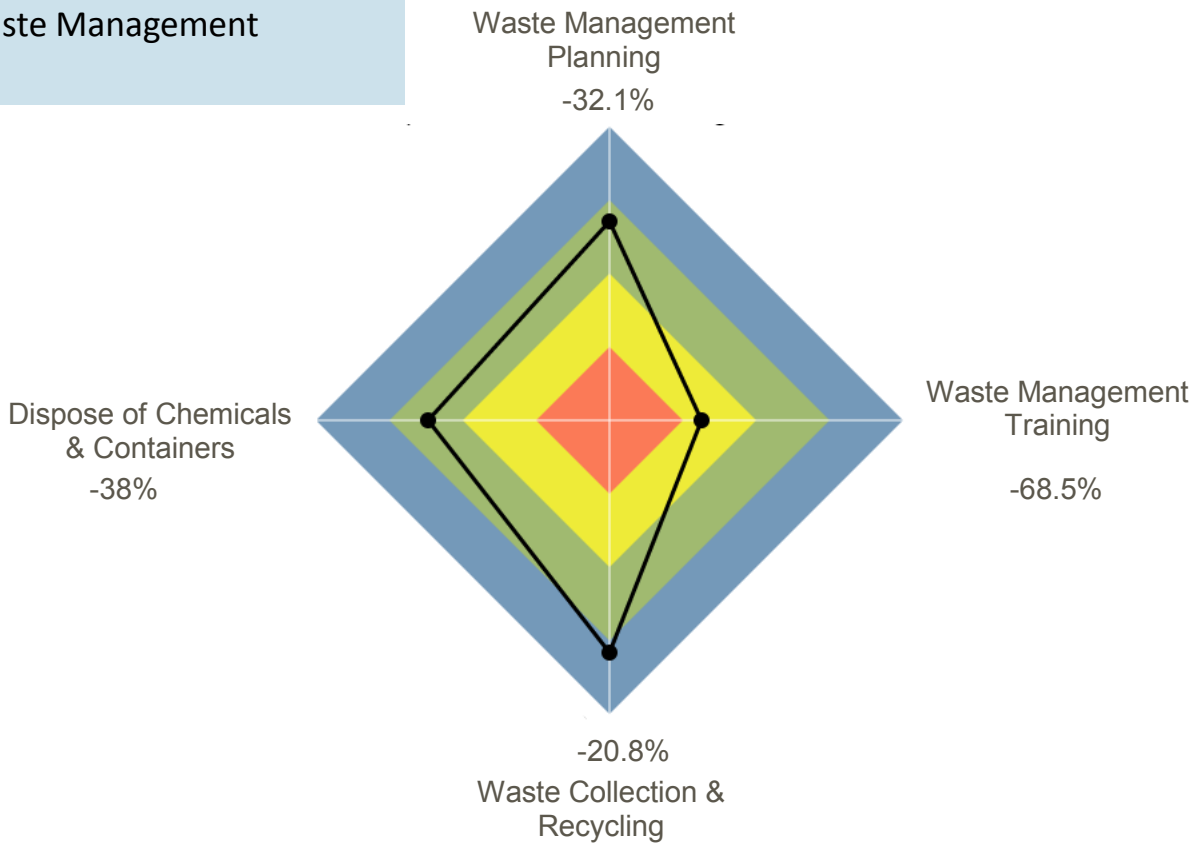
Biodiversity Management



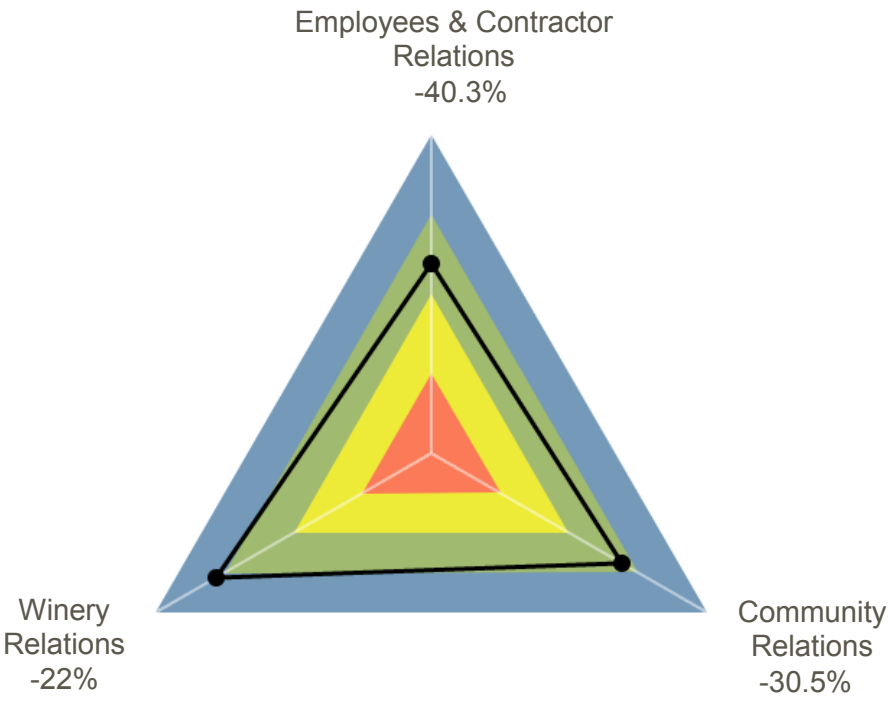
Water Management



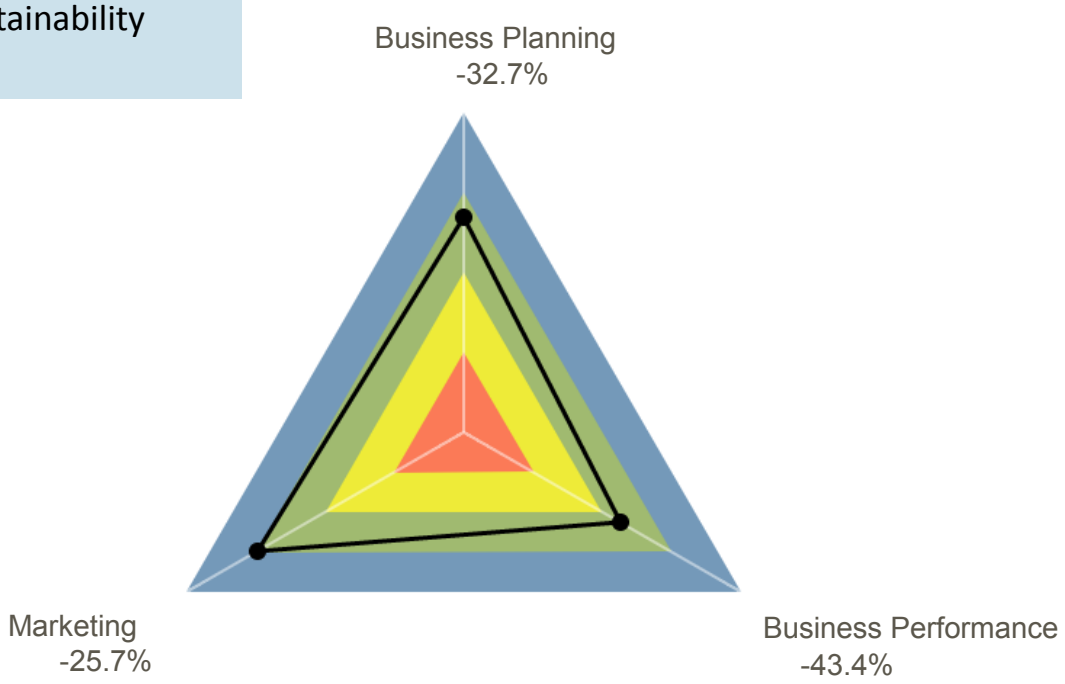
Waste Management



Social



Economic Sustainability



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