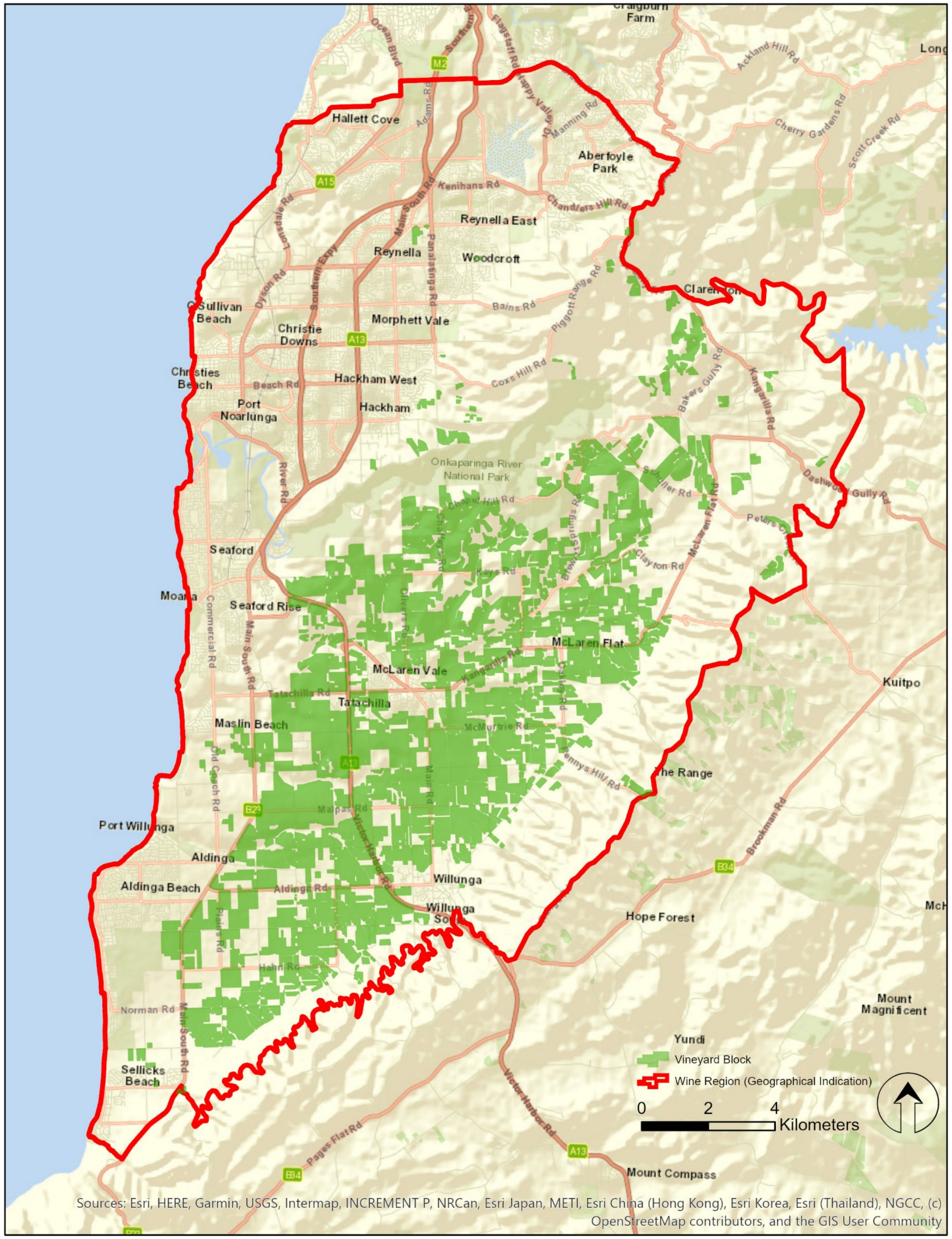

DATUM: GDA2020
PROJECTION: SA Lambert
DATE: 28th November 2019
SOFTWARE: ESRI ArcGIS v10.7.1
DATA SOURCE:
Vineyard Block - Vinehealth Australia
Wine Region - Wine Australia

McLaren Vale Wine Region

VINEHEALTH AUSTRALIA

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SA Winegrape Crush Survey 2020

Regional Summary Report

McLaren Vale Wine Region

Wine Australia July 2020

McLaren Vale

Vintage overview

VINTAGE REPORT

The McLaren Vale Wine Region experienced a drier than average growing season for the third year in a row. The continuation of dry conditions has contributed to generally low yields across the region.

Dry conditions during spring reduced the vigour of vines, while several days of very high winds in late November were seen to reduce the berry set of Cabernet Sauvignon and Tempranillo which were flowering at the time.

The summer of Vintage 2020 was a tale of two summers. Our “first” summer, the month of December, was the hottest on record.

December’s hot weather had vines showing signs of water and heat stress much earlier in the season than they would typically but also suppressed Powdery and Downy Mildew and there were very low levels of disease this vintage.

Fortunately, to break the record hot weather, the northern Australian monsoon season started at the start of January, and temperatures over southern Australia dropped correspondingly. We had 13 consecutive days below 30°C from 15–27 January. This was the longest such run in January since 1992 and longest in summer since December 2008. The mean average temperatures were 1.2 °C below average.

The start of February saw a monsoonal rain band move over South Australia and the McLaren Vale Wine Region experienced 20-30mm during three days of thunderstorms. It was just enough summer rain to freshen up vineyards, without the unwanted side effect of berry splitting and then botrytis bunch rot.

This trend of cooler weather continued through February and it proved much cooler than average, with no maximum temperatures above 35°C for the first time. February is “normally” the hottest month.

Grape picking took 5 weeks to complete starting at full pace in the first week of March and ending at the start of April. The report from winemakers on wine quality has been good, with winemaking made easier by cool weather and lower tonnages allowing for close attention at the winery.

James Hook, for McLaren Vale Grape, Wine and Tourism Association

OVERVIEW OF VINTAGE STATISTICS

The reported crush of winegrapes from McLaren Vale was 28,751 tonnes in 2020, down by 13 per cent compared with the 2019 reported crush of 33,055 tonnes. Over the past five years (up to 2019), the average crush for McLaren Vale has been 36,590 tonnes, making this year’s crush 21 per cent below the five-year average. Compared with the other major regions in SA, McLaren Vale had a relatively small reduction and reported a larger crush than the Barossa Valley and Langhorne Creek for the first time since 2004, and was second largest region by volume in the state in 2020.

There were 85 respondents to the survey who reported crushing grapes from McLaren Vale in 2020, compared with 84 in 2019.

The total estimated value of winegrapes from McLaren Vale in 2020 was $56.5 million compared with $59 million in 2019. The decrease in production was partly offset by an overall increase in the average purchase value of grapes, which increased by 10 per cent from $1771 per tonne in 2019 to $1951 per tonne.

There were increases in average prices for the three largest varieties: Shiraz up by 8 per cent to $2107 per tonne, Cabernet Sauvignon up 12 per cent to $1998 per tonne and Grenache up by 16 per cent to $2156 per tonne. The average value of Grenache was higher than Shiraz for the first time.

The price dispersion data shows an upward shift in purchase prices, with 47 per cent of red grapes purchased at $2000 per tonne and above, compared with 26 per cent last year.

According to Vinehealth Australia data, the total vineyard area in McLaren Vale as at 30 April 2020 is 7349 hectares, compared with 7337 hectares in 2019. The total area is around 100 hectares less than it was 5 years ago.

There were 55 hectares of new plantings (including top-working and replacements) in the 2019-20 planting season, the majority being Shiraz.

McLaren Vale

Winegrape intake summary table – red varieties

	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	10				10					5	33%	15	$29,115
Cabernet Franc	37				32	5	$65,948	$1,770	-3%	9	19%	46	$81,381
Cabernet Sauvignon	2,817			126	1,216	1,476	$5,628,610	$1,998	12%	2,222	44%	5,039	$10,069,009
Durif	15			2	5	8	$27,225	$1,862		7	31%	21	$39,553
Graciano	13				6	7	$25,581	$1,954		16	55%	29	$56,603
Grenache	1,121	2		94	384	639	$2,416,066	$2,156	16%	773	41%	1,894	$4,082,692
Lagrein	3				3					3	44%	6	$8,670
Malbec	16				10	6	$29,698	$1,859	13%	18	53%	34	$62,711
Mataro/Mourvedre	293			14	179	100	$548,231	$1,868	11%	201	41%	494	$922,912
Merlot	454			375	77	2	$544,119	$1,199	12%	346	43%	800	$959,055
Montepulciano	9				6	3	$15,318	$1,779		5	36%	13	$23,895
Nebbiolo	1					1				17	94%	18	$55,305
Nero d'Avola	12					12	$28,566	$2,443	11%	13	53%	25	$61,167
Petit Verdot	98			95	3		$95,031	$971	-7%	157	62%	255	$247,898
Pinot Noir	264			247	17		$306,260	$1,162	7%		0%	264	$306,260
Sangiovese	121				118	3	$209,839	$1,741	6%	81	40%	201	$350,010
Shiraz	11,065			462	5,084	5,482	$23,314,337	$2,107	8%	5,828	34%	16,893	$35,593,698
Tempranillo	105				76	29	$192,802	$1,833	0%	45	30%	150	$275,590
Touriga Nacional	17				5	12	$35,181	$2,081	-8%	52	75%	69	$143,544
Other red	53				15	38	$102,315	$1,938	19%	121	70%	174	$337,150
Red Total	**16,522**	**2**		**1,413**	**7,245**	**7,823**	**$33,609,519**	**$2,034**	**10%**	**9,918**	**38%**	**26,440**	**$53,706,218**

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

McLaren Vale

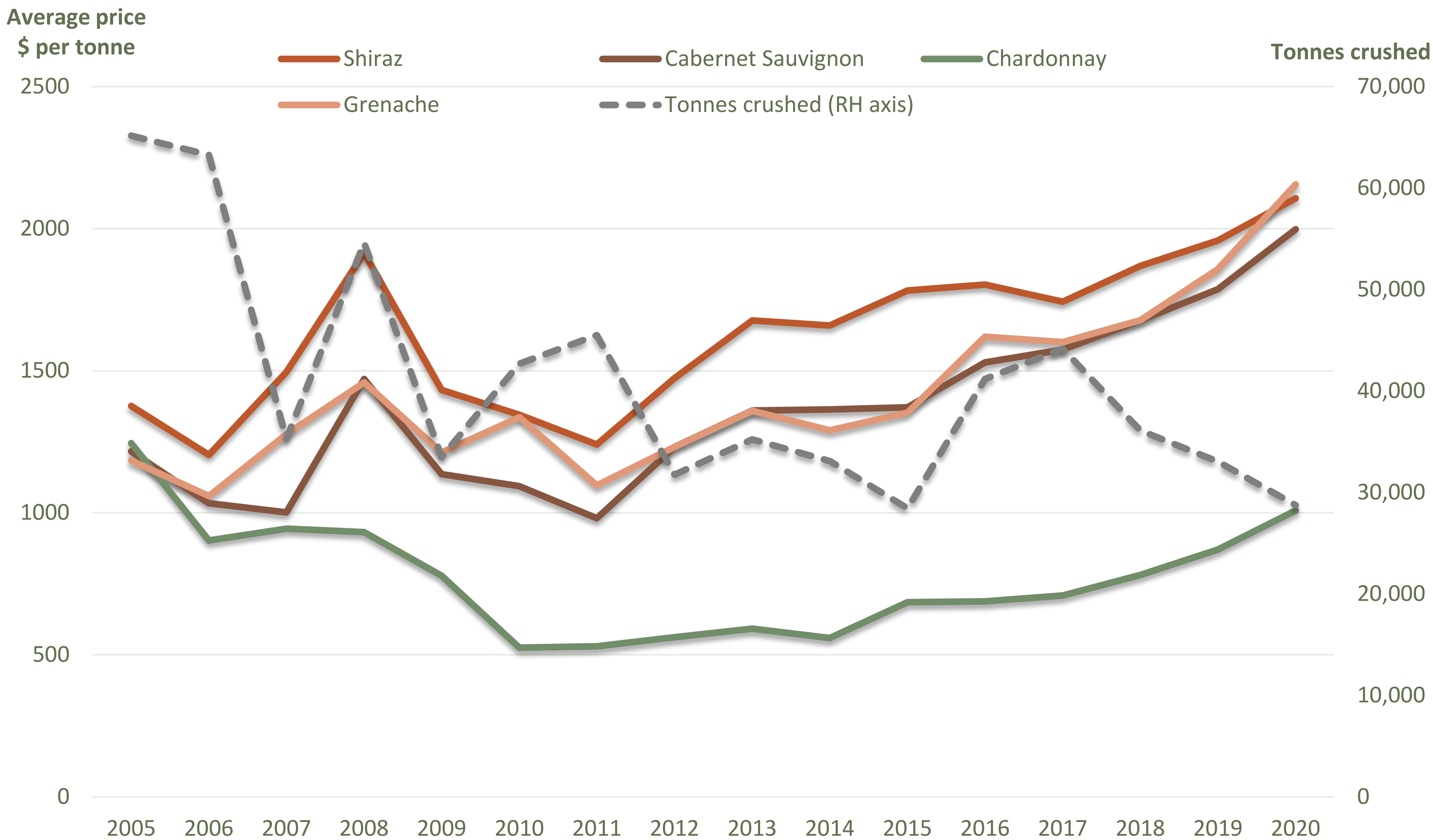
Winegrape intake summary table – white varieties

	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
White													
Chardonnay	1,146			1,097	49		$1,155,025	$1,008	16%	252	18%	1,398	$1,408,578
Chenin blanc	12			3	10				-100%	6	32%	18	$26,677
Fiano	21				21		$34,871	$1,642	-3%	55	72%	76	$125,325
Gewurztraminer	4			4							0%	4	$5,052
Marsanne	24			24						14	37%	37	$52,325
Muscat a petits grains blancs	66			54	12		$77,551	$1,183	-3%	6	9%	72	$85,167
Pinot Gris/Grigio	14				14					112	89%	126	$217,136
Prosecco	4			4							0%	4	$4,843
Riesling	112			104	7		$137,863	$1,232		8	7%	120	$147,767
Roussanne										27	100%	27	$41,823
Sauvignon Blanc	63			63			$71,305	$1,135	-4%	39	38%	102	$115,172
Semillon										13	100%	13	$12,171
Verdelho	37			18	19				-100%	20	36%	57	$77,177
Vermentino	26				26		$44,200	$1,700	0%	23	46%	49	$82,715
Viognier	121			41	79		$166,989	$1,385	10%	51	30%	171	$236,937
Other white	11				11				-100%	26	70%	37	$55,148
White Total	**1,660**			**1,412**	**236**	**11**	**$1,868,702**	**$1,125**	**12%**	**650**	**28%**	**2,311**	**$2,694,011**
Grand Total	**18,183**	**2**		**2,825**	**7,481**	**7,835**	**$35,474,904**	**$1,951**	**10%**	**10,568**	**37%**	**28,751**	**$56,453,991**

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

McLaren Vale

Historical weighted average price vs tonnes crushed



McLaren Vale

Current plantings by variety and year planted

Variety	*Pre-2017*	*2017*	*2018*	*2019*	*Total area*	*% planted in 2019*
Red winegrapes						
Barbera	11	0	0	0	11	0%
Cabernet Franc	23	0	0	0	23	0%
Cabernet Sauvignon	1,311	25	12	13	1,361	1%
Grenache	444	5	4	2	455	0%
Mataro (Mourvedre)	88	3	0	0	91	0%
Merlot	189	0	0	0	189	0%
Petit Verdot	45	0	0	0	45	0%
Pinot Noir	47	0	0	0	47	0%
Sangiovese	43	0	0	0	43	0%
Shiraz	4,006	62	57	29	4,154	1%
Tempranillo	58	4	0	0	62	0%
Other Red	118	10	3	4	135	3%
Total red varieties	**6,383**	**109**	**76**	**48**	**6,616**	**1%**
White winegrapes						
Chardonnay	281	0	2	0	283	0%
Chenin Blanc	15	0	0	0	15	0%
Marsanne	11	0	0	0	11	0%
Muscat A Petit Grains Blanc (White Frontignac)	10	0	0	0	10	0%
Pinot Gris	23	0	0	0	23	0%
Riesling	32	0	0	0	32	0%
Sauvignon Blanc	46	0	0	0	46	0%
Semillon	18	0	0	0	18	0%
Verdelho	14	0	0	0	14	0%
Vermentino	4	0	0	0	4	0%
Viognier	50	0	0	0	50	0%
Other White	43	2	0	7	52	13%
Total white varieties	**547**	**2**	**2**	**7**	**558**	**1%**
Rootstock Block	4	0	0	0	4	0%
Multi-purpose white	3	0	0	0	3	0%
Unknown variety	168	0	0	0	168	0%
Total all varieties	**7,105**	**111**	**78**	**55**	**7,349**	**1%**

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.

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- 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:

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