

Quarterly Pickings

Wine Industry Suppliers Australia Newsletter

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www.wisa.org.au

Retiring Chair leaves WISA on a Positive Note - and reports on a year of growth and consolidation.

It has been a busy year and a year of both expansion and consolidation. Our membership has increased from 88 members to 150 members and our financial situation is sound. We have been able to plan for expanded services to our members.

Our export committee has been very active and with the co-operation of Austrade we have represented our members at the Unified Wine and Grape Symposium at Sacramento in January and the annual meeting and associated trade show of the American Society of Enology and Viticulture in Seattle in May. Our Executive Officer, Philippa Myers attended both, the costs of her attendance at Sacramento being met by Exhibition Management Pty.,Ltd., and for this we are very grateful. At Vinitech in Bordeaux last December we arranged a social function for Australian's attending that exhibition, this time organized by our Vice Chairman Louise Fraser assisted by Austrade's Paris office.

We regularly receive enquiries from overseas businesses wishing to export to Australia and who are seeking agents or representatives. We have been

able to pass these enquiries on to appropriate members.

We were invited by the South Australian Wine Industry Association to have a representative on their "Greening The Supply Chain" working party. This was funded by the Environmental Protection Authority to establish a toolkit that winemakers can use in establishing purchasing policies and practices that enable them to buy environmentally and socially responsible goods and services. I represented your Association on the Committee. I don't think that many suppliers realize how much this is going to influence winemaker's purchasing in the future.

We held a dinner for those of our members particularly interested in export to hear how a Barossa Valley based company built a new winemaking facility in France, using almost entirely Australian made equipment. We held a dinner with an appropriate speaker on "Talking Marketing" in conjunction with the Co-operative Research Centre for Viticulture. We held a networking luncheon for our New South Wales members in Sydney last November,

and a similar dinner for our Victorian members earlier this year. We had a WISA stand at Wine Australia in November in Sydney, by courtesy of Exhibition Management Pty.,Ltd. We have signed Memorandums of understanding to support each other's activities with the Vinitech organization in Bordeaux. We have reviewed and significantly improved our website as we have our member's newsletter. We have also produced a new membership brochure.

I feel that we have established our place as a significant and respected organization within the Wine Industry. When we were first formed about five years ago there were criticisms, doubts, even suspicions about our ability and intentions expressed by a number of people. We have proven all of them unjustified.

One of our objectives has been to provide networking opportunities for our members. While we have been moderately successful in doing so I think we should provide more opportunities in the future.

Much of our success during the

year has undoubtedly been due to the work of our Executive Officer, Philippa Myers.

I would also like to thank our Committee members for their unstinting efforts and contribution, Nick Yap in Sydney, Hartley Higgins in Melbourne, Vice Chairman Louise Fraser, Treasurer and Secretary Chris Pfeiffer, Darko Obradovic Steve Dorman and George Wilcox. Being so widely spread and with fulltime jobs commitments, getting together for Committee meetings has not always been easy so at times e-mails have run hot.

This will, of course, will be my last report to you. As a member of your Committee since its first meeting about five years ago it has been a pleasure to be part of the growth of this Association. I don't know that I can take credit for very much, most of the work being done by others far more energetic and capable than I am.

When we started we were not all that optimistic about WISA, so it is pleasing to step down as Chairman from an organization in such good health.

Geoff Schahinger
Retiring Chairman

From the Chair

Louise Fraser



Dear Fellow Members,

A few recent publications on the state of the Australian wine industry make interesting, if not particularly comforting, reading. The WFA / Deloitte "Annual Benchmarking Survey for Australian Wine Industry" and the report of the Senate enquiry into "The Operation of the Wine-making Industry" give an insight into the challenges facing winemakers and grapegrowers alike. Disappointingly, the Senate committee's final recommendation that an umbrella industry organization be established – tentatively named "Wine Industry Australia" – does not mention representation from suppliers. There is no doubt that suppliers play a pivotal role in the success of the industry, through the provision of high quality and innovative products and services. Whilst we have come a long way towards improving understanding of the importance of our members to grapegrowers and winemakers, it is clear that there is still some work to be done.

With many grapegrowers selling fruit at below the cost of production and almost 50% of wineries surveyed reporting a loss in the 2004/2005 financial year, it is not surprising that many suppliers are also finding things a bit tough at the moment. I attended a business banking function recently at which business owners and managers were described as being "pathologically optimistic". We all know how important this "pathological optimism" is, balanced of course with some economic realism. I must say it is sometimes hard to remain positive, particularly after a number of difficult years. However, the news is not all bad. The AWBC's media release of 7 July reports an 18% increase in the export of "middle priced" wines after two successive years of decline. Given that this segment delivers good profits for our producers, it is a positive sign. Let's hope that this trend continues and that we all – winemakers, grapegrowers and suppliers alike – benefit from any improvement in profitability which may accrue to the producers as a result.

As I write this, the chaos on the wharves due to the problems in customs clearance is further complicating the lives of many suppliers. I hope that things are back to normal by the time you receive this newsletter. Delays at this time of year will undoubtedly cause anxieties for suppliers and customers alike.

I am pleased to report that we have recently held two successful functions for our members in Victoria and New South Wales. Philippa and I attended and together with the respective committee representatives – Jane Lynch (Victoria) and Nick Yap (NSW) – discussed the specific needs and wants of our members outside of South Australia. Both evenings were fruitful and enjoyable. Congratulations to Philippa, Jane and Nick for arranging these events. We look forward to working together with our members to increase the relevance of WISA to interstate suppliers.

Wishing you a successful end to the year and prelude to Vintage 2006!

Control and flavour for high alcohol reds

Chr. Hansen has extended their range of flavour-enhancing yeast blends with two new solutions for making medium to full bodied red wine, even in high alcohol wines of up to 17%.

The two new blends, Rhythm.nsac and Melody.nsac, help producers enhance flavour and complexity in their wines, and give them superb control of the alcoholic fermentation.

Rhythm.nsac and Melody.nsac are blends of non.saccharomyces yeasts and the high-alcohol resistant *Saccharomyces cerevisiae* strain Merit.ferm - the engine for driving the alcoholic fermentation to completion.

Rhythm.nsac consists of a unique blend of Merit.ferm and *Kluyveromyces thermotolerans*.

Melody.nsac consists of a unique blend of Merit.ferm, *Kluyveromyces thermotolerans*, and *Torulaspora delbrueckii*.

"The way we drink wine is changing quickly. Consumers want smooth, powerful, high alcohol wines, often to be enjoyed without food. Now, producers have the tools to keep up with consumers' demands," says Peter Sommer, head of Wine Technology Research at Chr. Hansen.

During the last year, wineries in both France and the USA have conducted trials with the new yeast blends, and the reaction has been very positive. Rhythm.nsac and Melody.nsac are particularly recommended for grape varieties like Merlot, Cabernet Sauvignon Shiraz and Zinfandel.

In combination with Melody.nsac and Rhythm.nsac, Chr. Hansen recommends using Viniflora CH16 for malolactic fermentation.

Order non.saccharomyces yeast from Chr. Hansen before 9th January, 2006 to go into the draw to win \$2500! Conditions apply.

For information on how to enter the draw, or to find out more about Chr. Hansen's solutions for the wine industry, please contact:

Amanda Tanga
Manager- Food & Beverages
Chr. Hansen Pty. Ltd.
49 Barry St
Bayswater VIC 3153
Office phone: 03 9721 1024
Office fax: 03 9761 9700
E-mail: Amanda.Tanga@au.chr-hansen.com

Diplomatic Appointment: Ambassador to Chile



The Hon. Alexander Downer, MP
MINISTER FOR FOREIGN AFFAIRS, AUSTRALIA

I have today announced the appointment of Crispin Conroy as Ambassador to the Republic of Chile. Mr Conroy will succeed Ms Elizabeth Schick, who has been Ambassador since January 2002. He is expected to take up his appointment in January 2006.

Relations between Australia and Chile are strong, anchored by significant Australian investment in Chile and a large community in Australia of Chilean origin. Recent high-level visits have underlined the importance and vitality of the bilateral relationship.

The Chilean President, HE Mr Ricardo Lagos, visited Australia in July this year, following a visit by Prime Minister Howard to Chile in November 2004. Chile is Australia's second largest merchandise export market in South America with some 120 Australian companies actively trading in a broad range of sectors. Australian

interests are diversifying in Chile.

In addition to the traditional mining sector, there is potential for further cooperation, for example, in agribusiness, education and energy. Australia and Chile are working to advance the bilateral economic and commercial relationship, including through the Australia-Chile Bilateral Trade and Investment Commission and the Council on Australia Latin America Relations (COALAR). We also work closely together in multilateral forums including APEC and the United Nations, and cooperate on issues such as regional security, the environment and illegal fishing. Australia and Chile are major agricultural exporters and push for agricultural trade liberalisation as members of the Cairns Group.

Mr Conroy is a senior career officer with the Department



Crispin Conroy

of Foreign Affairs and Trade and is currently Deputy High Commissioner at the Australian High Commission, Port Moresby, a position he has held since November 2003. Prior to this, in Canberra, he was Director, Sea Law, Environmental Law and Antarctic Policy Section (May-November 2003) and worked on the Iraq Task Force (February-May 2003). Mr Conroy has also held the position of Deputy Legal Adviser and Director of the International Law Section (1998-99), as well as various other positions in the Department.

Overseas, Mr Conroy has served as Australia's Ambassador to the Kingdom of Nepal (1999-2002); First Secretary (then Counsellor), Australian Permanent Mission to the United Nations, Geneva (1995-98); and Third Secretary (then Second Secretary), Australian Embassy, Madrid (1990-93).

WISA Happy Hours Continue in 2006

Given the recent success of the Happy Hours we have decided to continue these events in 2006. In an attempt to accommodate more of our members we will alternate between a Wednesday and Thursday evening.

The venue remains the same – The Royal Hotel, Kent Town.

Thursday 9 February
Wednesday 8 March
Thursday 6 April
Wednesday 3 May
Thursday 1 June
Wednesday 5 July
Thursday 3 August
Wednesday 6 September
Thursday 5 October
Wednesday 8 November

\$10 per person

We hope to see you at a Happy Hour soon!

Chile

Crispin Conroy met with the WISA EO and some WISA members on Friday, November 4 to discuss opportunities for exporting to Chile. Increased trade between Chile and Australia is fuelling the impetus for a stronger bilateral relationship between the two countries. This is particularly promising for the wine supply industry.

While the Austrade Offices in Santiago and Mendoza can provide potential exporters with assistance at a grass roots level, the Embassy can offer the next level of support in assisting companies to overcome barriers to entry or any other government impediments to the establishment of a successful trading relationship.

In September a delegation of 11 Winemakers from Chile spent a morning with eight WISA members who were able to present their products in an informal and intimate environment. From all accounts this workshop had benefits for all parties.





CHAIR
Louise Fraser
Managing Director
Pellenc Australia P/L

Louise has worked in the wine industry for 14 years, the last five as Managing Director of Pellenc Australia Pty Limited. Louise has been a member of the WISA committee since 2002 and was appointed Vice-Chair in 2004. She chaired the Winetech 2005 Management Sub-Committee and was involved with the Sub-Committee for Winetech 2003. She is eager to take advantage of her international connections, particularly with France, to assist members strengthen their links with the wine industry overseas, whether as importers or exporters.



VICE CHAIR
George Willcox
Oenobeve Vintaging



SECRETARY/TREASURER
Chris Pfeiffer
General Manager
OpenBook Print

Chris has been General Manager of OpenBook Print since 2002, and a member of the WISA committee since 2001. Chris has held the office of Secretary of the Association since then and also took on the role of Treasurer in 2004. He is a Graduate of the Australian Institute of Company Directors and a member of the CEO Syndicate. In his spare time Chris has completed his Wine Studies Certificate and his Basic Wine Making Certificate, which complement his role as an active Director of Whistler Wines Pty Ltd located in the Barossa Valley.



Jane Lynch
Sales & Marketing Manager
CE Bartlett P/L

Jane has a background in Marketing in the Tourism and Hospitality Industry and Special Events. Her particular expertise is in creating new enterprises or initiatives either as a new business or within an existing organisation. Jane has also lectured in Marketing for the University of Ballarat. In particular she is keen to increase WISA's Victorian membership base.



Nick Yap
Global Business Manager
AB Mauri

Introducing your Committee for 2005/2006:

Nick has been a WISA committee member since 2003 representing NSW, and is the current Chairman of WISA's Export Subcommittee. Having responsibility for Maurivin's export business, Nick has focussed on working with WISA in assisting other Australian suppliers penetrate overseas markets.

Whilst WISA's export activities are important, Nick believes WISA's primary role for the next two years is assisting its members in lifting their brand awareness and sales domestically.



Darren Oemcke
CEO
Provisor P/L

Provisor provides research facilities and equipment to the wine industry. Darren has worked in a range of organisations including multinational water companies, consulting engineering, universities and state government departments. He also writes the Innovation column in the Wine Business Monthly magazine.



Steve Dorman
National Wine Account Manager
Orica

Graduating from the University of Adelaide with a Viticulture/Oenology Degree and growing up in the Barossa Valley Steve has always been involved in the Australian Wine Industry. Steve currently works for Orica Australia as the National Wine Account Manager, supplying the Australian Wine Industry with a complete range of wine additives and other specialised products.



Nicholas Law
Joint Chief Executive Officer
Tarac Technologies P/L

Nic is a Chartered Accountant and joined Tarac in 2002 as Chief Financial Officer. He was formerly a Senior Executive for KPMG Corporate Finance where he specialized in Mergers and Acquisitions. Nic has joined the WISA Committee to support fellow industry suppliers and help promote their important role within the Wine Industry.

Polyphen



Not all Sandwich Panels are the same ! .6mm Bluescope skins sandwiching a core of FM approved insulation are now available ! FM approved Polyphen core panels manufactured by United Panel Industries PL and supplied and installed by Ace Panel Systems PL (both located in Sth Aust) are suitable alternatives where fire rated panels are required.

POLYPHEN ®: A novel fire resistant foam. At last, the long awaited solution to the world-wide problem of fire risks associated with foam core sandwich panels.

Polyphen

- Is a new revolutionary rigid Polystyrene/Phenolic composite foam.
- Exhibits excellent fire resistance properties.
- Can be manufactured extremely cost effectively.
- Has excellent Thermal Insulation performance.
- Is manufactured using standard plant and equipment.
- Possesses excellent mechanical properties.
- Can be manufactured to have significant sound absorbing properties.

Polyphen is suitable for:

- Coldstores and Warehouses (steel clad panels).
- Office partitions.
- Factory and housing insulation as well as hygienic building structures.
- Pipe and vessel insulation.

POLYPHEN ® has been tested by FACTORY MUTUAL RESEARCH, USA and similarly by C.S.I.R.O. Government Research, Australia.

References: Factory Mutual Research Test Program: Exploratory Convective Flame Spread Parameter Test Results CSIRO - Division of Building (Australia): FSP0854 Fire Test on a Sandwich Panel Results © Copyright Polyphen® 2002-2004 All rights reserved

Introduction

Polyphen® is a novel composite thermal insulation foam, which combines good mechanical properties with high fire resistance and low cost. Competing products generally offer one or two of these features, but not all three together. Examples of such products are polystyrene, polyurethane, polyisocyanurate and phenolic foams. While Polyphen® was originally developed with the aim of creating an ideal core material for sandwich panels, especially steel clad panels, Polyphen® can be used for most rigid foam applications. These include lagging of pipes, tanks and air conditioning ducts. It is a user friendly material, being light weight, easy to cut and with a surface that is not fibrous, friable or brittle. Polyphen® is also environmentally friendly in that it is produced in a process with zero ozone depletion potential. For further information and technical enquiries contact Ace Panel Systems PL

Export Excerpts

Export Subcommittee meetings

The next export subcommittee will be held on 21 November.

USA Export Advisor

Are you interested in exporting to the USA? Did you know that there is a dedicated USA Export Advisor based in the Adelaide office of Austrade? If you are looking for help in accessing this potentially lucrative market contact: Laki Kondylas, USA Export Advisor: laki.kondylas@austrade.gov.au Ph: 0434 071 554

New Trade Commissioner in San Francisco

David Lawson, previously Trade Commissioner in Adelaide, has commenced a post as Trade Commissioner in San Francisco. Given his South Australian background and prior support of WISA this is undoubtedly a positive appointment.

Austrade Seattle

Rich Geasey, District Manager of Austrade Seattle, WA, met with WISA members last month to discuss opportunities for exporting to North West America. He can be contacted at: richard.geasey@austrade.gov.au

Argentine Delegation

On Thursday 17 November a group of 25 Argentine Winemakers will attend a day of presentations and workshops in Sydney. WISA was invited to make a presentation from 2pm-

3pm. Six WISA members have elected to take part in this session. Unfortunately a visit to SA was not included in their itinerary! Maybe next time.

SIMEI 2005

Milan, Italy
22-26 November

SITEVI 2005

Montpellier, France
29 November – 1 December

Unified Wine & Grape Symposium 2006

Sacramento, California
24-26 January 2005
With thanks to AWTEG, WISA has been able to secure one 3mx3m booth at the 2006 event. If you would like to participate in this booth, with either a personal presence, or by providing brochures and promotional material please contact Philippa Myers, WISA Executive, as soon as possible. Tuesday January 24 WISA will be hosting a networking function in Sacramento. Further details will be circulated in December.

SITEVI Mercosur

Argentina
May 2006
Expressions of interest are now being sought for participation in an Australian Pavilion at SITEVI Mercosur. For further details please contact Philippa Myers, WISA Executive officer.

Member Success Stories

ZORK caps off great year with gold award

ZORK, the world's most innovative wine closure, was awarded a prestigious gold medal at the Australian Packaging Awards held at the Grand Hyatt, Melbourne, Thursday October 6. ZORK was judged to be the most innovative entry and hailed as the 'packaging of the future' – taking out the coveted Cryovac Technical Innovation Award on the night.

On the back of the recent exposure gained on the ABC's New Inventors programme, where ZORK won the prestigious People's Choice award, the Wine Industry is starting to recognize ZORK as a serious contender.

The award caps off an incredibly successful year for ZORK, as winemakers and marketers around the world jump on the ZORK bandwagon to enjoy the many advantages of bottling their wines under the revolutionary closure.

While ZORK has generated much interest in Australia, large orders from prominent American wineries continue to pour in. Eliminating the danger of cork taint ruining their wines, Americans are also embracing the breakthrough closure because it gives their wine brands a point of difference in a cluttered market place.



Zork CEO, *Mark McAllister*, receiving the Gold award

"It's exciting to see our South Australian designed and produced wine closure really starting to take off in Australia – and now America. As a result, we now have ZORK distributors in place throughout the world to service and respond quickly to the ever-increasing demand for ZORK," said ZORK CEO, Mark McAllister.

ZORK is light years ahead of its rivals. Made in South Australia from 100% recyclable food grade polymers, ZORK's most distinguishing feature is it will not taint wine or scalp its flavours. Easily opened by hand, ZORK retains the celebratory 'pop' of a cork whilst safely protecting the wine to be enjoyed just as the winemaker intended.

The innovative and bold design of ZORK stands out like a beacon on retail shelves – drastically improving all-important brand awareness via market differentiation. Available in a wide variety of colours to capitalise on greater packaging opportunities, quality printing and de-bossing options are also available to accentuate packaging and further add to branding.

NuKorc Pty Ltd establishes NuKorc Europe S.L



Martorell, Spain, 1st of November 2005 – NuKorc, a new technology closure company that produces high-quality synthetic closures for the global wine industry, announces the establishment of its European headquarters and production facility in Martorell, Spain. The Martorell centre of excellence will be an integrated facility with all production, distribution, quality, sales and marketing activities for the European market managed from the site. The investment further strengthens NuKorc's global capability and reflects the

company's ongoing commitment to localised customer service. NuKorc will grow by more than 100% during 2005 and expects to produce more than 500 million closures during the year. The European market is of critical importance to ongoing growth for the company and European customers will benefit significantly from shortened lead-times, flexibility and enhanced local service. The state of the art production facility and European centre of excellence is expected to be fully commissioned effective January 2006.

Why Join WISA?

"A strong, well resourced body representing the interests of suppliers is in the best interests of suppliers and the industry more generally.

The Winemakers' Federation of Australia (WFA) has benefited from strong industry support, and has been

able to achieve some great results because of that support. We strongly encourage membership of WISA so that it can

give you a voice, and so that it can enhance our whole industry's advocacy capability."



Stephen Strachan,
CEO, WFA



Diary Dates

November

3 November

- Adelaide
WISA Happy Hour
The Royal Hotel
Kent Town
5.30pm – 7.30pm

15 November

- Adelaide
WISA Christmas Drinks
5.30pm – 8pm
Kelly's Gallery
National Wine Centre

24 November

- Adelaide Convention Centre
'Creating the Competitive Advantage'
Wine Industry Outlook
Conference

22-26 November

- SIMEI 2005
Milan, Italy

29 November – 1 December

- SITEVI 2005
Montpellier, France

January 2006

24-26 January

- Unified Wine & Grape
Symposium
Sacramento, California

February 2006

5-10 February

- New Zealand
International Cool Climate
Symposium
For Viticulture and Oenology
Christchurch, New Zealand

March 2006

- Wineries Unlimited
Conference & Trade Show
Pennsylvania, USA

May 2006

- SITEVI Mercosur
Argentina

July 2006

- Wine Australia
Sydney

For details on WISA Happy Hours refer to pg 3.

For further information on any of these events, or to make suggestions for future events please contact:

Philippa Myers
Executive Officer
(08) 8339 8138
wisainc@senet.com.au

Remember, it is your Association and comments and contributions are always welcome!

Damien Cook from Austrade Adelaide and Richard Geasey from Austrade Seattle

