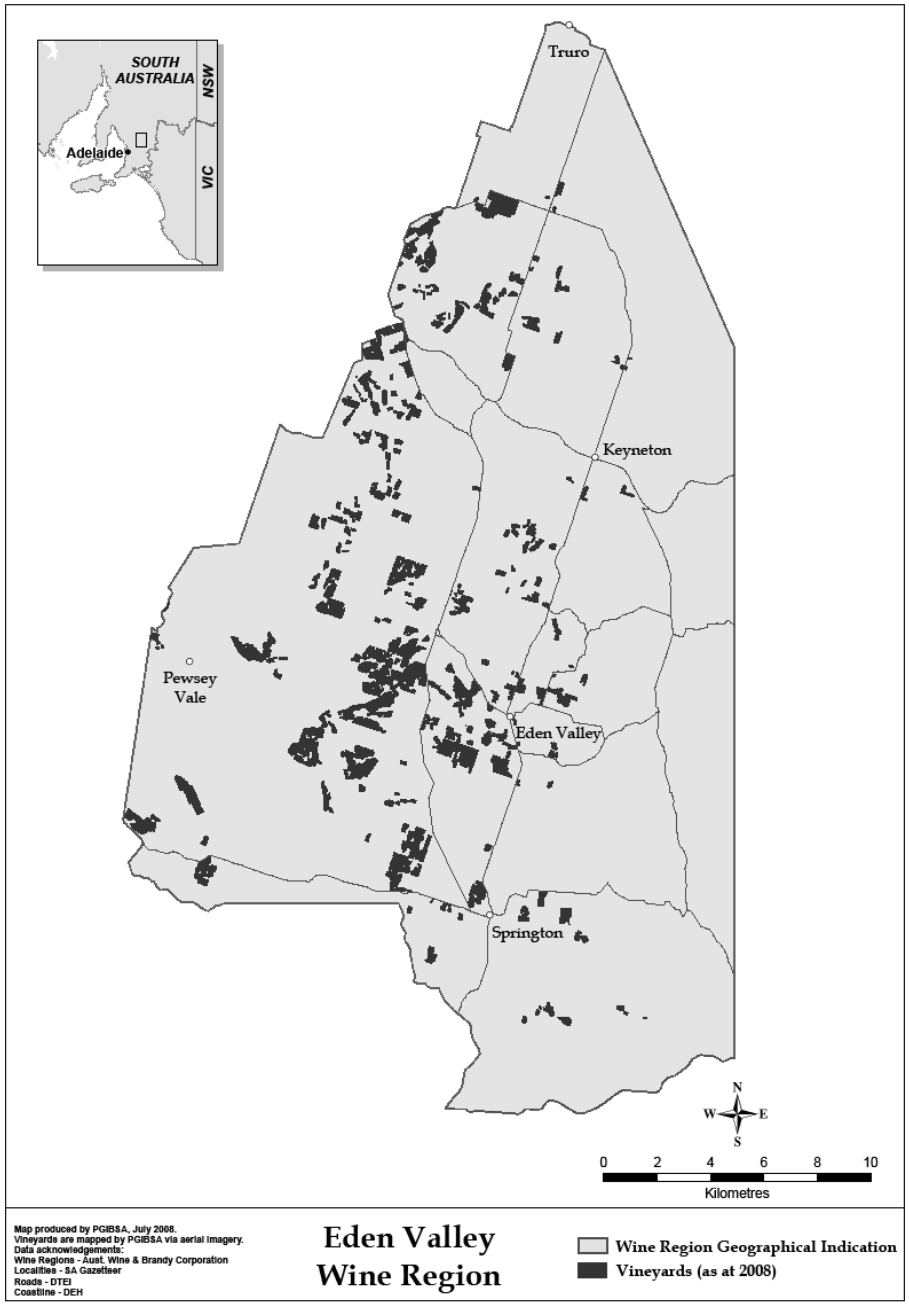

Eden Valley Wine Region

Regional summary report

2010

ACKNOWLEDGEMENTS

This survey has been produced by the Phylloxera and Grape Industry Board of South Australia on behalf of the **South Australian Wine Industry Association,** the **Wine Grape Council of SA Inc** and **Primary Industries and Resources SA,** who jointly fund the survey.

The publication of this survey is made possible through the support of the South Australian and interstate wineries that processed fruit from South Australian vineyards in 2010. The information is provided voluntarily by wineries on the understanding and assurance that information from individual wineries will be kept strictly confidential. Only aggregate responses are reported. Draft results and supply forecasts are checked by regional industry representatives. Vintage reports have been provided by the regional representatives, local growers or industry associations. Particular thanks for their assistance go to: Jim Caddy, David Edwards, James Freckleton, Juliet Henderson, Elise Heyes, Lian Jaensch, Murray Leake, Frank Nicholls, Louise Rose, Stuart Sharman, Nigel Squire, Michelle Stehbans, David Watkins, and Daniel Zuzolo.

The survey publication is available on the Board's website www.phylloxera.com.au. The state summary and regional reports can be downloaded as PDF files. Previous reports (since 2000) are also available on the website, and hard copies of reports from previous years back to 1998 are available from the Board's office.

COVER IMAGE

Photograph by Catherine Cox, Phylloxera and Grape Industry Board of SA.

REPORT PREPARATION

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DISCLAIMER

While every effort is made to ensure the accuracy and integrity of the information reported in this document, no responsibility is taken for any errors or omissions. The Phylloxera and Grape Industry Board of South Australia expressly disclaims any liability for the accuracy and sufficiency of the information, and in no circumstances shall it be held liable for the consequences of decisions, actions, assumptions and interpretations made by those who use the information contained within the report.

DOCUMENT STRUCTURE AND LAYOUT

The full survey report incorporates 15 stand-alone regional reports, covering the major declared GI regions in South Australia, and a state summary section with aggregate data, forecasts by variety and historical comparisons. The report may be downloaded as one document or in sections as a series of PDF files from the PGIBSA website www.phylloxera.com.au.

INTERPRETATION OF REPORT INFORMATION

Please refer to the **EXPLANATIONS AND DEFINITIONS** for definitions, limitations and interpretations of different statistics reported.

Any questions about the report should be directed to:

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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 the Board's office.

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 that are known to source fruit from South Australian vineyards are included in the survey collection process. However, not all wineries submit a survey form - therefore the total tonnage reported may underestimate the true crush. An estimate of the non-response rate for each region is provided below each intake summary report. Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Crop value data

On the survey forms, wineries are asked to record **total purchase value.** This is the total amount paid for fruit of a particular variety at the point of receival – 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.

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. The **estimated total value of purchased grapes** is calculated by multiplying the average purchase value per tonne by the total tonnes purchased. The **estimated total value of total 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 across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Note: in small varieties there may sometimes be only one winery contributing towards a calculated average purchase value per tonne.

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. Therefore the average price should not be compared directly with an individual grower's arrangement.

Highest and lowest price

Wineries are asked to report the highest and lowest prices paid for any parcel of fruit of a particular variety, of any size. The highest of all highest prices, and the lowest of all lowest prices are reported – provided that at least three wineries have provided this information for any particular variety. *Note: the highest or lowest price may be for a very small parcel of fruit - and/or reflect an unusual pricing arrangement - eg payment by the hectare rather than per tonne, "spot market" sales of excess fruit etc.*

FORECASTS

Estimated supply

Supply forecasts have been calculated independently using the planting information obtained from the PGIBSA vineyard register (see below). They are calculated by multiplying the area of vines by an estimated yield figure determined separately for each variety in each region, which takes into account industry practices and objectives as well as historical averages. However, the supply forecasts do not make any allowance for future vine removals or mothballing, yield capping or the effects of ongoing water restrictions or unusual seasonal conditions.

Committed intake

Committed intake is the amount of fruit that wineries are *already* committed to take in, for a given future year. It is made up of winery grown fruit and contract purchases. Only existing or ongoing contracts are included – not intended future signings or renewals.

Explanations and Definitions

Available supply

Available supply (uncommitted fruit) is the difference between estimated supply and committed intake. It is the amount of fruit estimated to be available on the open (spot) market. NB If the committed intake is higher than the estimated supply, this indicates a discrepancy between the independent supply forecasts and the wineries' estimates of future production. In this case, available supply is recorded as zero – rather than as a negative number.

Comparing supply and committed intake

In order to compare supply with committed intake, the latter figures are "raised" to compensate for non-respondents. There is no raising of supply figures because it is assumed that the PGIBSA vineyard planting information is close to 100% complete. The non-response rate is calculated separately for each region and is indicated below the relevant tables.

Demand (required intake)

Following consultation with industry during 2009, it was decided to omit demand figures from the 2010 survey. These figures were considered by the majority of respondents to be unreliable and/or unhelpful. They also add considerably to the survey load for the wineries. Readers of this report are encouraged to provide feedback on this decision either directly to SAWIA or the WGCSA, or to the PGIBSA.

PLANTING DATA

Derivation of planting data tables

Planting data is **not** derived from the 2010 South Australian Utilisation and Pricing Survey of wineries. The information is obtained from the vineyard register maintained by the Phylloxera and Grape Industry Board of South Australia.

The Board is required under the *Phylloxera and Grape Industry Act 1995* to maintain a complete and accurate register of grapegrowers in the state. All vineyard owners with more than 0.5 hectares are required by law to register with the Board, and to complete an accurate vineyard return each year, giving details of their plantings. This information is kept strictly confidential. An accurate vineyard register enables the Board to produce complete, up-to-date statistical information on vineyard plantings by variety, year planted and location.

For more information on registration of vineyards, please contact the Phylloxera and Grape Industry Board office on 08 8362 0488.

Explanatory notes for planting data tables

1. Planting data tables are current as at April 2010 and include all plantings from the 2009 planting season. Vines planted in a particular year may include topworked 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 2010 report compared with previous reports.

2. Vineyard plantings are recorded by Geographical Indication. Planting details for smaller regions not included in the survey report are available on request from the Board.

3. Where a 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 a slight error in totals or percentages.

Eden Valley

Vintage overview

Vintage report

Good rainfall during winter and spring of 2009 filled much of the Eden Valley dams and provided good soil moisture for the start of the season. The continued cool and wet weather kept vine growth slow and damage from earwigs and mites became problematic, delaying growth further. Some warmer weather in mid October and November pushed shoot growth through, while the mid-November heatwave was prior to flowering for the Eden Valley and caused negligible damage.

Good canopy growth and warm and mild weather through the ripening period was ideal and resulted in high quality grapes for this vintage. Riesling, whilst low yielding, had excellent canopy growth, ripened quickly with good flavour and minimal sunburn. The standout was Cabernet Sauvignon where flavours were intense and even with ideal fruit to canopy balance. Chardonnay and Shiraz also ripened rapidly with healthy, balanced canopies, vibrant flavours and moderate crop levels. With ideal conditions and excellent fruit quality, it has been an exceptional year for this region.

In the higher Eden Valley the reds are equally as gorgeous, with Riesling, showing delicacy and finesse with long mouth-watering natural acids.

Elise Heyes, Viticultural Development – Barossa Grape & Wine Association.
Juliet Henderson, Grower Liaison Officer – Yalumba Wine Company
Louise Rose, Senior Winemaker – Yalumba Wine Company

Overview of vintage statistics

The harvest from Eden Valley was 10,876 tonnes in 2010, 28% higher than the 2009 harvest of 8,486 tonnes but much lower than the 2008 harvest of 13,797 tonnes. The total value of grapes from the region was $12.3 million – a bit over half the 2008 figure of just under $20 million. The average purchase value for Riesling and Chardonnay decreased again in 2010 by $131 per tonne and $187 per tonne respectively. Shiraz, after an increase of around $50 per tonne in 2009, fell by over $250 in 2010.

New plantings in Eden Valley in spring 2009 (including top-working and replacements) amounted to only 10 hectares (less than 1% of the total area) and the total area of vines in the region fell by 4 hectares.

The estimated production from Eden Valley for 2011 is around 14,900 tonnes. The wineries' committed intake is almost exactly the same amount, so there is not likely to be any surplus fruit. There is not projected to be any significant increase in production by 2015, which is in-line with the low level of new plantings over the past few years. The wineries' committed intake in 2015 falls 1,600 tonnes short of the estimated production, but this still indicates a strong ongoing demand from this region.

Across the state, assuming "normal" growing conditions, there is expected to be a 278,000 tonne surplus compared with demand in 2015 (see State Summary section).

Eden Valley

Winegrape intake summary - vintage 2010

Variety	Tonnes purchased	Lowest price[1]	Highest price[1]	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
RED								
Barbera	0					1	1	$1,702
Cabernet Franc	9			$16,560	$1,810	3	12	$21,139
Cabernet Sauvignon	393	$800	$5,730	$512,523	$1,304	561	954	$1,244,494
Grenache	7			$5,740	$820	10	17	$13,530
Mataro	28			$44,954	$1,611	0	28	$45,437
Merlot	262	$500	$1,200	$220,260	$840	153	415	$348,870
Meunier	22			$12,972	$600	0	22	$12,972
Muscat a Petit Grains Rouge / Rose	2			$2,240	$1,018	0	2	$2,240
Nebbiolo	0					5	5	$6,293
Other Red	14			$15,962	$1,148	6	19	$22,312
Petit Verdot	0					23	23	$31,061
Pinot Noir	294	$500	$1,600	$258,878	$881	260	553	$487,740
Shiraz	2,080	$500	$8,000	$3,113,524	$1,497	813	2,893	$4,329,612
Tempranillo	0					4	4	$5,807
Zinfandel	0					5	5	$6,268
Total Red winegrapes	**3,111**			**$4,203,613**		**1,842**	**4,953**	**$6,579,477**
WHITE								
Chardonnay	649	$350	$1,600	$481,757	$743	708	1,357	$1,007,955
Muscat a Petit Grains Blanc	21	$600	$1,200	$19,468	$907	0	21	$19,468
Other White	12			$14,232	$1,200	5	17	$20,280
Pinot Gris	85	$600	$1,900	$86,714	$1,026	198	282	$289,676
Riesling	1,711	$250	$2,200	$1,834,603	$1,072	1,421	3,132	$3,358,019
Roussanne	4			$5,512	$1,312	0	4	$5,512
Sauvignon Blanc	224	$600	$1,400	$195,048	$871	200	424	$369,636
Semillon	284	$400	$900	$187,529	$661	46	330	$217,814
Traminer	79	$800	$1,600	$77,874	$987	55	134	$131,803
Verdelho	8			$6,000	$800	0	8	$6,000
Viognier	149			$202,027	$1,360	66	214	$291,213
Total White winegrapes	**3,224**			**$3,110,763**		**2,699**	**5,923**	**$5,717,376**
Grand Total All winegrapes	**6,335**			**$7,314,375**		**4,541**	**10,876**	**$12,296,854**

1 Lowest and highest prices are only reported when there are at least three purchasers. Very low prices may relate to extremely small parcels of fruit or fruit delivered that was over the contract amount or penalised for other reasons.

2 It is estimated that the non-response rate for Eden Valley is 9%.

Eden Valley

Current plantings by variety and year planted

Variety	Current area in hectares					
	Pre-2007	*2007*	*2008*	*2009*	*Total area*	*% planted in 2009*
Red winegrapes						
Cabernet Franc	5	0	0	0	5	*0%*
Cabernet Sauvignon	304	0	0	0	304	*0%*
Grenache	22	0	0	0	22	*0%*
Mataro (Mourvedre)	10	0	0	0	10	*0%*
Merlot	78	0	2	0	79	*0%*
Meunier (Pinot Meunier)	4	0	0	0	4	*0%*
Other red	7	0	1	1	8	*10%*
Petit Verdot	11	0	0	0	11	*0%*
Pinot Noir	62	0	0	0	62	*0%*
Sangiovese	0	0	1	1	2	*50%*
Shiraz	693	3	6	3	706	*0%*
Tempranillo	2	1	1	1	4	*26%*
Total red winegrapes	**1197**	**4**	**10**	**6**	**1216**	*0%*
White winegrapes						
Albarino	0	0	3	0	3	*0%*
Chardonnay	268	0	1	0	268	*0%*
Muscat A Petit Grains Blanc	4	0	0	0	4	*0%*
Other white	9	0	1	1	10	*8%*
Pinot Gris	30	2	1	2	35	*5%*
Riesling	535	10	2	0	547	*0%*
Roussanne	2	0	1	1	3	*28%*
Sauvignon Blanc	54	5	4	0	62	*0%*
Semillon	45	0	0	0	45	*0%*
Traminer (Gewurtztraminer)	26	0	0	0	26	*0%*
Viognier	44	0	0	0	44	*0%*
Total white winegrapes	**1018**	**17**	**11**	**3**	**1049**	*0%*
Total all varieties	**2214**	**21**	**21**	**10**	**2265**	***0%***

Eden Valley

Estimated supply and committed intake 2011 - 2015

Variety	2011 Est Supply [1]	2011 Committed intake[2] Winery grapes	2011 Committed intake[2] Contract purchases	2011 Committed intake[2] Total committed intake	2013 Est Supply [1]	2013 Committed intake[2] Winery grapes	2013 Committed intake[2] Contract purchases	2013 Committed intake[2] Total committed intake	2015 Est Supply [1]	2015 Committed intake[2] Winery grapes	2015 Committed intake[2] Contract purchases	2015 Committed intake[2] Total committed intake
Red winegrapes												
Barbera	0	2	0	2	0	2	0	2	0	2	0	2
Cabernet Franc	23	2	9	11	23	2	0	2	23	2	0	2
Cabernet Sauvignon	1,215	866	512	1,378	1,215	877	482	1,359	1,215	889	452	1,341
Grenache	108	11	17	28	108	11	13	24	108	11	13	24
Mataro	49	1	38	39	49	1	38	39	49	1	38	39
Merlot	392	151	276	427	393	151	276	427	393	151	276	427
Meunier	20	0	22	22	20	0	22	22	20	0	22	22
Muscat a Petit Grains Rouge / Rose	0	0	2	2	0	0	2	2	0	0	2	2
Nebbiolo	0	5	0	5	0	5	0	5	0	5	0	5
Other Red	36	5	16	22	38	5	16	22	38	5	16	22
Petit Verdot	55	27	0	27	55	27	0	27	55	27	0	27
Pinot Noir	562	256	212	468	562	256	95	352	562	256	95	352
Shiraz	4,191	1,222	2,270	3,492	4,214	1,216	1,767	2,983	4,214	1,216	1,671	2,888
Tempranillo	12	7	0	7	16	10	11	21	16	10	11	21
Zinfandel	0	4	0	4	0	4	0	4	0	4	0	4
Total red winegrapes	**6,664**	**2,560**	**3,374**	**5,934**	**6,699**	**2,569**	**2,722**	**5,291**	**6,699**	**2,581**	**2,597**	**5,178**
White winegrapes												
Chardonnay	2,144	1,176	2,079	3,255	2,146	1,161	1,739	2,901	2,146	1,161	1,739	2,901
Muscat a Petit Grains Blanc	26	0	26	26	26	0	33	33	26	0	38	38
Other White	74	5	11	16	81	5	11	16	81	5	11	16
Pinot Gris	226	207	92	299	238	218	103	321	238	218	103	321
Riesling	4,346	2,093	1,717	3,810	4,372	2,030	1,369	3,400	4,372	2,133	1,331	3,465
Roussanne	12	0	22	22	16	5	22	27	16	5	22	27
Sauvignon Blanc	473	316	208	524	491	309	197	507	491	313	219	532
Semillon	361	56	352	408	361	56	291	347	361	56	291	347
Traminer	211	77	120	197	211	66	111	177	211	69	111	180
Verdelho	0	0	0	0	0	0	0	0	0	0	0	0
Viognier	350	145	200	345	350	145	200	345	350	145	200	345
Total white winegrapes	**8,223**	**4,076**	**4,827**	**8,903**	**8,291**	**3,997**	**4,076**	**8,073**	**8,291**	**4,107**	**4,065**	**8,172**
Total all winegrapes	**14,887**	**6,637**	**8,200**	**14,837**	**14,989**	**6,566**	**6,797**	**13,363**	**14,989**	**6,688**	**6,662**	**13,349**

[1] *Supply forecast produced by PGIBSA based on the South Australian vineyard register*

[2] *A raising factor of 1.09 has been applied to committed intake to allow for non-respondents*