Wine Australia for Australian Wine

Sources

Australian Wine Exports – Wine Australia’s Wine Export Approval system
https://www.wineaustralia.com/selling/further-information/wine-export-approval-system

Consumption by market - The International Spirit and Wine Record (IWSR) https://www.theiwsr.com/about_us.html

Population – UN Population Division

Unemployment rate – International Monetary Fund World Economic Outlook Database October 2018

Gross Domestic Product Per Capita - International Monetary Fund World Economic Outlook Database October 2018

Size of drinking population, number of Australian drinkers and market classification – Wine Intelligence’s Vinitrac global survey of wine drinkers.
https://www.wineintelligence.com/research/

Ease of access, tariffs, labelling, wine making techniques, certification – Wine Australia Market Export Guides and in-market representatives.
Glossary of terms and definitions

A$ or AUD: Australian dollars

Average price per bottle (PPB): Calculation based on pricing conducted through store checks divided by the volume of consumption. Prices are given in US dollars for consistency across markets.

CAGR: Compound Annual Growth Rate - a measure of growth over multiple time periods.

Carbonated: Sparkling wine that becomes carbonated through the addition of carbon dioxide rather than through fermentation.

Commercial / value:
- Based on data presented from the IWSR – Low price, Value and Standard.
- Based on data presented from Wine Export Approvals – Below FOB Export Value AUD$45 per case or AUD$5.00 per litre

Consumption: Estimation of local consumption generally reported in ‘000 nine litre cases.

Cooler: An alcoholic beverage made from wine and fruit juice, often in combination with a carbonated beverage and sugar.

Country of origin: Determined by where the brand is produced.

Emerging: One of five distinct groups derived by the Wine Intelligence Global Compass Model. Wine market classifications are based on the categories of market saturation, the import market, market value, per capita consumption, and range / culture. Emerging markets are markets where wine is experiencing growth and shows potential from a relatively low base.

Established: One of five distinct groups derived by the Wine Intelligence Global Compass Model. Wine market classifications are based on the categories of market saturation, the import market, market value, per capita consumption, and range / culture. Established markets are markets with strong historical growth which is tailing off.

Export Approvals: Wine approved by Wine Australia for export on specified dates. Exports refer to the date wine is shipped and not the date of approval. Note that the A$ FOB value of wine reported may differ from export values reported by the Australian Bureau of Statistics (ABS). The divergence between the two values derives from differences between the Wine Australia and ABS in the method of converting the value of exports denominated in
foreign currency to A$. In the case of Australia, the exporter makes the conversion when submitting wine for export approval while the ABS converts the value on the day of shipment, at the daily conversion rate. With the Wine Australia method, it is expected that some of the conversions will occur at hedged rates while this does not occur with the ABS method. When the Australian exchange rate is moving significantly the alternative methods will result in diverging valuations. Volumes reported by the Wine Australia and ABS differ only marginally due to the “approval” versus “shipment” basis of reporting as well as marginal differences in scope and definition.

**FOB:** ‘Free on board’ value of the wine, where the point of valuation is where goods are placed on board the international carrier, at the border of the exporting country. The FOB value includes production and other costs up until placement on the international carrier but excludes international insurance and transport costs.

**Fortified:** a wine to which a distilled spirit such as brandy is added. Fortified wines include tawny, apera and vermouth.

**GDP:** Gross Domestic Product per capita, constant prices (national currency) is expressed in constant national currency per person. Data are derived by dividing constant price GDP by total population.

**GI:** Geographical Indications

**GI Region** – Region geographical indication (GI) claims are optional but must be 85 per cent of claimed. Multiple GI claims are acceptable but must be 95 per cent and listed in descending order.

**Growth:** One of five distinct groups derived by the Wine Intelligence Global Compass Model. Wine market classifications are based on the categories of market saturation, the import market, market value, per capita consumption, and range / culture. Growth markets are markets where wine is a mainstream product and / or experiencing growth.

**IWSR:** The International Spirit and Wine Record

**Label claim:** Claims including GI region, variety, and vintage made on the wine bottle label are governed by a number of different Federal and State legislative instruments. The table below provides a summary of the blending rules. Vintages, varieties and geographical indications can only be claimed on labels which meet the definition of wine. “Wine products” cannot make any vintage, or geographical indication claims, variety claims are however permitted. Please refer to the regulations for the specific rules. As a result of the blending rules, when selecting variety and GI region in the New Product and New Market reports, the selection does not indicate that this is 100 per cent of exports from the region and variety. For example, if Barossa Shiraz
is shipped in bulk then it will not be included in these figures as based on packaged label claims only. More information can be found on the Wine Australian website under labelling.

### Wine Australia

<table>
<thead>
<tr>
<th>Vintage claims</th>
<th>Single claims</th>
<th>Multiple claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum 85%</td>
<td>Minimum 100%</td>
<td><strong>So, if your wine is 85% from the 2010 vintage, 2012 can be claimed. If your wine is 85% from 2012, 10% from 2008 and 5% from 2005, and you want to claim vintage, you have to specify the presence of all vintages, even the 2012.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variety claims</th>
<th>Single claims</th>
<th>Multiple claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum 85%</td>
<td>Minimum 85%</td>
<td><strong>So, if your wine is 70% Semillon, 30% Chardonnay and 5% Sauvignon Blanc, you can label your wine as ‘Semillon Chardonnay Sauvignon Blanc’. The wine would either need to be labeled as ‘Semillon Chardonnay’ or ‘Semillon Chardonnay Sauvignon Blanc’. You couldn’t label your wine as just ‘Semillon’, because less than 85% of the blend is Semillon.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Geographical Indication (GI) claims</th>
<th>Single claims</th>
<th>Multiple claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum 85%</td>
<td>Minimum 95%</td>
<td><strong>So, if your wine is made from 85% Barossa Valley fruit, then you can claim ‘Barossa Valley’. If your wine is made from 80% Barossa Valley fruit, 10% Heathcote and 5% Pemberton, and you want to claim GI, then it would need to be labelled ‘Barossa Valley Heathcote’. You couldn’t list Pemberton on the label.</strong></td>
</tr>
</tbody>
</table>

#### Litres per capita (adult): a calculation based on the amount of alcohol consumed divided by the population of legal drinking age.

#### Long Term Growth: Based on a 5-year CAGR.

#### MAT: Moving Annual Total - refers to the twelve months ending with the nominated month.

#### Market: In most instances, this indicates the country where the wine is consumed. In some instances, it may be the country at which the wine is off-loaded for bottling and/or trans-shipment to the country of final consumption.

#### Mature: One of five distinct groups derived by the Wine Intelligence Global Compass Model. Wine market classifications are based on the categories of market saturation, the import market, market value, per capita consumption, and range / culture. Mature markets are markets where wine appears to have reached its potential with stable and declining volumes.

#### New Emerging: One of five distinct groups derived by the Wine Intelligence Global Compass Model. Wine market classifications are based on the categories of market saturation, the import market, market value, per capita consumption, and range / culture. New emerging markets are markets where wine is still a relatively new and unknown beverage but showing potential.
Off-premise: Wine purchased from a supermarket, online or bottle shop for example and consumed elsewhere.

On-premise: Wine purchased and consumed at a bar or restaurant for example.

Packaged: Glass bottles, alternative packaging and cask / soft packs.

Percentage change: Is calculated as the percentage change in the MAT for the immediate past 12 months compared to the preceding 12 months

PPB: Average price per bottle

Premium and above:

- Based on data presented from the IWSR – Premium, Super Premium, Ultra-Premium and Prestige.
- Based on data presented from Wine Export Approvals – FOB Export Value AUD$45 per case or AUD$5.00 per litre and above

Value: refers to the dollar value associated with wine consumption or exports. The value of consumptions, provided through the IWSR, is based on historical pricing data taken from store checks across all reporting markets. Reported retail value over a time period is using fixed exchange rates and includes tax. Retail value is reported in United States dollars. The export value, provided from Wine Australia, is based on FOB value reported in Australian dollars (see FOB for more detail).

Short Term Growth: Based on year over year growth rate.

Unpackaged: Wine shipped for repackaging elsewhere, also referred to as 'bulk'

Unspecified: Within GI region label claims, unspecified remains in the dataset but refers to bulk, or unpackaged, wine.

USD: United States dollars

Variety: Variety claims made on a wine label are optional but must be 85 per cent if claimed.

Value: Reported under ‘Measure’ refers to Retail Value when looking at wine consumption and Export Value when looking at Australian wine exports.

Vermouth: an aromatised, fortified wine.

Volume:

- Volume reported from the IWSR refers to estimated consumption
- Export volume reported from Wine Australia’s WEA system refers to the quantity of wine shipped
**YoY:** Year over year. Also referred to as Short Term Growth.

**WEA:** Wine Export Approval system, Wine Australia.

**Wine:** Includes still, sparkling and fortified wine and does not include non-grape wines.

**Wine Share of Throat:** Proportion of wine consumed out of all alcoholic beverages consumed.

**Notes on data**

**Short- and Long-Term Growth**

- 100 per cent cap - To remove large variations in growth rates, generally due to calculations made off a small base, results have been restricted to display +/- 100 per cent where percentage changes exceed +/- 100 per cent.

- Blank cells – Where no data exists in the comparison year, no results are displayed to avoid an error in the calculation. For example, in 2017 the volume was 100 but in 2016 there was no volume. I.e. (100 / 0) - 1 = #DIV/0!

**Market summary report**

- all data in the Market Summary, unless otherwise highlighted, is based on the most recent time period where data is available for all fields included in the infographic.

**Wine Intelligence**

- data displayed in reports is based on the most recent data available.

- The number of markets available from Wine Intelligence is limited to markets where Wine Intelligence collect data through their omnibus survey.

**Australian wine exports**

- data collected through the WEA system is updated daily. As shipments can be amended retrospectively, the data in the Market Explorer may differ marginally from previously published figures.