

2018 PRODUCTION DOWN ON PRIOR YEAR

The vintage is complete with the final figures to be compiled by the Board in the coming months the draft data (below) indicates a decline in production across many of the regions varieties.

White Wine Grapes	2017 (t)	2018 (t)
Chardonnay	65,736	69,622
Colombard	11,047	8,110
Muscat Gordo Blanco	8,491	5,423
Pinot Grigio	23,408	21,023
Riesling	2,680	3,191
Sauvignon Blanc	16,682	14,337
Semillon	32,731	23,486
Traminer	8,584	6,920
Verdelho	3,017	3,198
White Frontignac	15,412	11,898
Other White	9,555	6,711
Sub Total	193,764	175,532

Chardonnay, Riesling and Verdelho are the only regional varieties that have increased in production from 2017 according to the figures which may surprise many growers that reported lighter crops than last year.

Thanks go to the Riverina Winemakers Association for compiling these initial figures for the industry. It should also be noted that a number of wineries still need to contribute final reports for the month of March which could take the production figure up close to 320KT for 2018.

Red Wine Grapes	2017 (t)	2018 (t)
Cabernet Sauvignon	29,483	24,289
Durif	7,781	5,860
Merlot	25,680	22,570
Petite Verdot	4,110	2,797
Pinot Noir	5,855	5,001
Ruby Cabernet	7,089	6,016
Shiraz	76,832	58,771
Other Red	8,181	6,154
Sub Total	165,011	131,458
Total	362,354	306,990

The complete picture will be available to the Board upon receipt and entry of the regions tonnage reports. Undoubtedly this seasons lower crop will mean shortages of winegrapes into next season. Nationally a

lower crop will see stronger demand for wine and should lead to better pricing for winegrapes.

Not what was expected

Many pundits in the grower sector believed the crop would be a for a much lighter crop citing less rainfall during the growing season as a contributing factor.

Chardonnay came in at over 17 tonnes per hectare (less than 7 tonnes per acre). At \$350 per tonne the variety is still returning less than \$3,000 per acre to growers.

Shiraz was harvested at around 13 tonnes per hectare (approximately 5 tonnes per acre). To reach a return of \$3,000 per acre for this variety growers on average would need to have received a price of \$570 per tonne.

While we await final figures which will bring this up across all varieties to obtain a return of \$3,000 per acre growers would have needed average returns above \$491 per tonne (2017 the average was \$333) a long way to go before grower profitability returns.

Board Fees and Charges

Growers are advised that in most cases your winery will deduct and remit to the Board your 2018 fee of \$3.90 per tonne. Most have signed an agreement with the Board to undertake this which means the Board wont be seeking this directly from growers. Wineries charge a 5% handling fee 90 to deduct and forward your funds.

WHAT'S INSIDE THIS EDITION

	Page
2018 Production Down on Prior Year	1
Board Activities Report	2
AWRI Workshop to be held 9 May in the Riverina	3
Extension Officer Report	4
Property Prices on the Move	4
Media Story: Grow New Grapes or Perish	5-6
Vintage Festival and Rewind in the Vines	6
Will Changes to Alcohol Laws in the Territory Affect You	7
Come and See us at the Riverina Field Day and WIN	7
Board to Release detailed Planting Information	8

BOARD ACTIVITIES REPORT



Riverina
WINE GRAPES
MARKETING BOARD

Review of the Board

The Board has received verbal advice that it will remain in operation, although no written support of this statement has been provided by the NSW DPI.

The matter of its continuance was discussed with the Deputy Premier for NSW and the matter of terms and conditions of payment for growers being needed was raised. While this type of regulation (setting of payments) within NSW may be difficult to re-introduce the Board believes that wineries should compete for grapes on the price they pay and not when they pay for grapes. The Deputy Premier stated he will be looking at possible mechanisms for this.

Solar Power options for growers

Growers with high power charges that are interested in investigating if solar power on your farm might be the right solution (and to determine if it is affordable) please contact the office. There are many solar companies, locally and regional that are able to provide quotes for your business.

Colour Sampling a cause for concern

Better equipment and more cooperation between the Board and most regional wineries has done little to belay concerns that the variability of colour sampling in the region is a problem and could impact on grape growers financial returns.

The office has reviewed the operating processes of a number of regional wineries in comparison to its own system and has discovered that many are using different sample processes and equipment which could easily lead to the wrong results being presented. This would not matter if the process was employed by wineries for streaming grapes of similar likeness but when it is used to calculate a price to be paid to growers it is a problem.

It should be noted that the **National Measurement Act 1960 - Section 18GA** states that a person commits an offence if: the person uses a measuring instrument for trade, and the measuring instrument is not verified.

Riverina Field Day

The NSW Cancer Council will be sharing the Board's tent this year. Please make sure you call into our site and say hello to the Board members and staff that are available to talk to you. NSW DPI will also be in attendance to discuss viticulture matters.

Board seeks a pest declaration for the Common Starling

Discussions have been commenced with Riverina Local Land Services to try and declare the Common Starling a pest. Late 2017 the Board wrote to LLS seeking a declaration. The Board sought support from Essential Energy amid claims that flocks fly off from power lines often causing them to touch and spark, causing damage and potential bush fire risks. Members of the Board have even noticed birds nesting in transformers.



AWRI WORKSHOP TO BE HELD 9 MAY IN THE RIVERINA

The Board will be host the Australian Wine Research Institute (AWRI) in the region. **The workshop will be held in the afternoon 9th May 2018 Farm 1874A 28 Smeeth Road Lake Wyangan (Brian Bortolin's farm) 2-5pm. Details will be posted to all growers.**

4 of the following 6 topics will be presented:

Breeding and evaluation of new disease-resistant selections:

Grapegrowers rely heavily on fungicides, in combination with management techniques, to minimise the impact of powdery and downy mildew. With increasing financial, regulatory and environmental pressures to minimize agrochemical use, the development of new mildew-resistant wine grape cultivars is essential. Past attempts to develop disease-resistant cultivars with acceptable wine quality was slow and difficult. Our new rapid genetic improvement strategy uses DNA marker-assisted selection (MAS) in combination with rapid-flowering microvine genotypes. Evaluation of new disease-resistant selections, both in terms of field performance and wine sensory attributes is in progress to identify superior selections suited to Australian conditions

How can I predict wine tannin and colour in the vineyard?

The texture and colour of red wine are important attributes of overall wine quality. Recently, tools have been developed which will enable an assessment of this potential in the vineyard. This talk will discuss this technology, providing insights into the variables which affect wine colour and tannin and how these can be managed.

What are the positives and pitfalls of grazing sheep in your vineyard?

Grazing sheep or other livestock types in vineyards is recognised as a viable way to reduce reliance on herbicides or slashing. This can result in saving fuel and labour and be a potential source of income. In this talk the practice of grazing is evaluated with the pros and cons discussed.

Be alert: Is fungicide resistance coming to your vineyard?

The incidence and severity of fungicide resistance to powdery mildew, botrytis bunch rot and downy mildew

has been investigated over the last three years. Resistance to some fungicides is widespread whereas resistance to others is sporadic. Populations of Botrytis that are resistant to the main fungicides are increasing and populations from two sites were resistant to all four fungicides tested: fenhexamid; iprodione; boscalid and pyrimethanil. While research is still needed to accurately relate these laboratory results to field efficacy, we know effective resistance management is critical. Research results and information on resistance management strategies will be discussed.

Understanding and manipulating grape berry development/ ripening

Recent scientific studies have advanced our understanding of grape berry ripening. Ripening is comprised of a series of coordinated modular processes, including sugar, colour and flavour metabolite accumulation. Ripening is controlled by small, plant growth regulators (PGRs) that act to control gene, and hence, protein expression. Some PGRs are inhibitors of ripening (e.g. auxins), others are promoters (e.g. abscisic acid). The timing of veraison, controlled by such PGRs, largely determines harvest timing. This talk will discuss the control of ripening initiation and progression and the potential to manage harvest date and alter berry composition.

How to minimise your chances of frost damage.

Frost is a significant hazard to grape production in Australia, and research suggests that the frost season may be becoming longer in many grapegrowing regions. There are two types of frost: radiation frosts, which generally occur on clear nights, and advection frosts where a cold air mass moves into a vineyard. Management options for radiation frosts include ensuring that the inter-row area is closely mown, and the soil is moist and firm. A radiation frost can be predicted based on the temperature during the late afternoon when the sky is clear, and this knowledge used to arrange control measures including helicopters and frost sprinkler systems. Understanding the impact of inversion layer height and 'strength' is critical for the effective use of helicopters and wind machines. The management choices for advection frosts are far fewer, with overhead sprinkler systems the only proven option. Another way to reduce the likelihood of frost damage is pruning in late spring (after budburst), to delay bud break into a period when frosts are less likely to occur.

EXTENSION OFFICER REPORT

HACCP: It's approaching that time of the year when I will be calling you to meet for a coffee and for your HACCP audit. Don't worry just yet I won't be ringing until late April early May. I have a large number of HACCP audits to complete, so in the meantime you can call me and we can have your HACCP completed before pruning season starts.

People say that drinking milk makes you stronger.

Drink 5 glasses of milk and try to move a wall.
Can't?

Now drink 5 glasses of wine. The wall moves all by itself!

AWRI Viticulture Workshop: 9th of May 2018 at Farm 1874A 28 Smeeth Road Lake Wyangan 2-5pm & BBQ.

After last years workshop growers stayed for the BBQ and a few drinks, this turned out to be a great social afternoon.

Weather Station: The NSW DPI weather station website have a Dendrometer and Sap Flow meter in Griffith which have being placed on 4 varieties, Chardonnay, Merlot, Shiraz and Cabernet Sauvignon. The site shows sap movement in the vine and canopy temperature. Website is as follows.

Go to - <https://www.dpi.nsw.gov.au/.../riverina-vineyard-dendrometer-and-sap-flow-demonstration>

And simply follow the prompts.



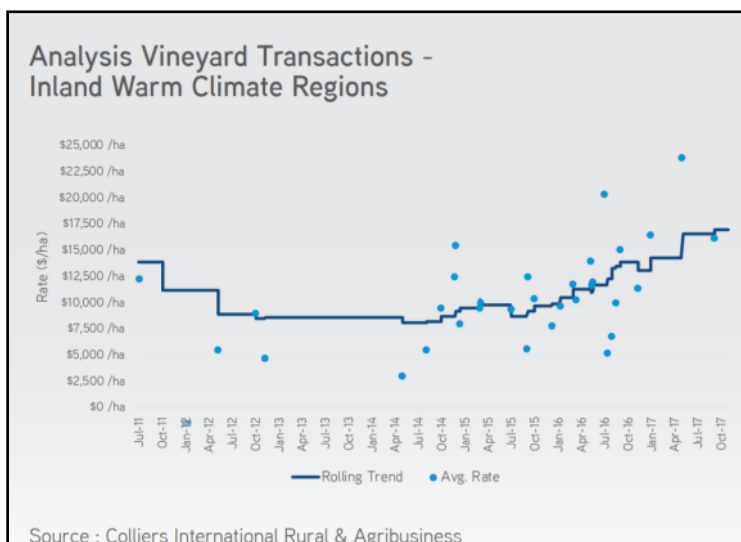
PROPERTY PRICES ON THE MOVE

According to Colliers International Research and Forecast Report 2018 into Rural and Agribusiness the ***“Future looks bright for Australia’s 4th largest agricultural commodity”***

Large scale commercial vineyard values have nearly doubled in the past 24 months in the inland regions.

Colliers International report that although the overall outlook has improved, prices for established vineyards in many cases are still less than what it costs to establish them. New plantings cost \$40,000 to \$50,000 per hectare. A vineyard incurs annual maintenance costs of (up to) \$10,000 per hectare, depending upon the region, the site, and the varieties. It takes around 7 years for new plantings to produce a “reliable” or dependable crop. Viticulturists then remind us of the effect of agricultural risk “bad years”, frost, pests, disease, extreme weather events and increasing costs. These

factors, coupled with the possibility of a rising market, translate into real incentive for buyers to purchase established vineyards. The first to response are existing growers and wine producers, looking to expand existing operations and who recognise the opportunity and understand the risks.



MEDIA STORY: GROW NEW GRAPES OR PERISH

Posted by Grapegrower & Winemakers in Grapegrowing, Wine Industry News, 22nd March 2018. Story by Jeff Glorfeld

Study finds that to survive climate change, vignerons need a war on terroir. A new report suggests wine producers' reluctance to try different grape varieties could work against them to overcome the challenges of changing climate patterns. In this article which originally appeared in Cosmos Magazine, Jeff Glorfeld explains why some think the concept of terroir should be left behind.

Climate change is creating myriad challenges for the world's farmers, including winegrape growers.

Vignerons may be able to overcome some obstacles by planting grape varieties that are better suited to altered vineyard conditions but before this can happen, according to a new study published in Nature Climate Change, scientists and winemakers alike need to better understand the wide diversity of grapes and their suitability to different climates.

A significant stumbling block in convincing wine producers to try different grape varieties is the cherished concept of terroir, says the report's author, climate change biologist Elizabeth Wolkovich from Harvard University in the United States.

Terroir is the belief that a wine's character is a reflection of where and how the specific varieties of grapes were grown. Thus, only certain traditional or existing varieties are part of each terroir, leaving little room for change.

"There's a real issue in the premier wine-growing regions, that historical terroir is what makes great wine, and if you acknowledge in any way that you have climate change, you acknowledge that your terroir is changing," Wolkovich said.

"So, in many of those regions there is not much of an appetite to talk about changing varieties."

She believes wine producers now face a choice: proactively experiment with new varieties, or risk suffering the negative consequences of climate change.

"With continued climate change, certain varieties in certain regions will start to fail – that's my expectation," she said.

In February 2017, Wolkovich told a Harvard-organised conference called Global Food + that research from 2014 indicates global warming would see winegrape

production move into northern Europe and locations along the Canadian-US border, but that, "we don't expect to be able to grow winegrapes by the end of the century in large parts of Italy, much of Spain, and some of our favourite regions of France, including Bordeaux, Cotes du Rhone and Burgundy."

In this latest report, she challenges wine producers to start thinking of varietal diversity.

"Maybe the grapes grown widely today were the ones that are easiest to grow and tasted the best in historical climates, but I think we're missing a lot of great grapes better suited for the future," she said.

However, even if an appetite for change existed, she added, researchers don't yet have enough data to say whether other varieties would be able to adapt to climate change.

"We have the freedom here to plant whatever varieties we think will work best for our sites, both now and in the future"

"Part of what this paper sets up is the question of how much more do we need to know if we want to understand whether there is enough diversity in this crop to adapt wine regions to climate change in place," said study co-author Ignacio Morales-Castilla, a Fellow at Harvard's Arnold Arboretum, who investigates winegrape varieties and their adaptability under climate change.

"Right now we know we have this diversity, but we have little information on how to use it," he said.

"One of our other suggestions is for growers to start setting aside parts of vineyards to grow some other varieties to see which ones are working."

In Europe, Wolkovich said growers have the advantage of tremendous diversity.

They have more than 1000 grape varieties to choose from, research repositories such as the French National Institute for Agricultural Research, and expertise in how to grow different varieties.

Yet strict labelling laws have created restrictions on their ability to take advantage of this diversity.

For example, just three varieties of grapes can be labelled as wine from Champagne and four for Burgundy.

(Continued on page 6)

MEDIA CONTINUED

(Continued from page 5)

Similar restrictions have been enacted in many European regions – all of which force growers to focus on a small handful of grape varieties.

“The more you are locked into what you have to grow, the less room you have to adapt to climate change,” Wolkovich said.

“So there’s this big pool of knowledge, and massive diversity, growers have maintained an amazing amount of genetic and climatic response diversity ... but if they changed those laws in any way in relation to climate change, that’s acknowledging that the terroir of the region is changing, and many growers don’t want to do that.”

Winegrowers in other parts of the world, meanwhile, must grapple with the opposite problem: there are few, if any, restrictions on which grape varieties may be grown in a given region, but growers have little experience with the diverse – and potentially more adaptable – varieties of grapes available.

Just 12 varieties account for more than 80% of the grapes grown in Australian vineyards, Wolkovich said, and Cabernet Sauvignon comprises more than 75% of all the winegrapes grown in China, chiefly because these are the wines consumers want to buy.

Cameron Leith, a second-generation Australian

winemaker from the Passing Clouds winery, near Daylesford in western Victoria, helped his father move their original operation almost 120 kilometres south, from north-west Victoria to its present location, about seven years ago. Drought and climate change were major factors leading to commercially unsustainable crop yields, he said.

Leith believes Australia is well placed to experiment with new or different grape varieties.

“We have the freedom here to plant whatever varieties we think will work best for our sites, both now and in the future,” he said.

“I believe there are many Australian grapegrowers already doing this, and we have plenty more that are well placed to do so. Perhaps all it would take is an extra push, such as further research – particularly into the costs to growers of the wrong varieties in the wrong place – as well as education by our grape and wine organisations.”

Wolkovich added: “They have all the freedom in the world to import new varieties and think about how to make great wines from a grape variety you’ve never heard of, but they’re not doing it because the consumer hasn’t heard of it. We’ve been taught to recognise the varieties we think we like.”

<http://www.cosmosmagazine.com>

VINTAGE FESTIVAL AND REWIND IN THE VINES

The 2018 Vintage Festival was an outstanding success and sell out, judging by the number of attendees it will continue to grow and become the highlight event on the wine promotion calendar. Many people couldn't secure tickets in 2017 and with a few changes to the layout the organisers were easily able to expand the space and cater for the stronger demand.

Credit to all the wineries that supported the event and sold their quality products to the locals and visitors. There were many local food stalls that offered a great range of products on the day. Even a local beer stand that had a line around 50 meters long at most times throughout the day.

The music really made the event with local bands and a DJ to finish off the day. A well behaved mixed age crowd of fun loving wine, music and beer consumers enjoyed themselves in the sun and will return.

The following evening Rewind in the Vines which was open to around 3,000 people didn't quite get the numbers but was well supported and the local bands and lead acts performing some great tunes for the crowd to get up and dance to.



WILL CHANGES TO ALCOHOL LAWS IN THE TERRITORY AFFECT YOU

Northern Territory to be the first jurisdiction in Australia with minimum floor price alcohol

The Northern Territory will become the first Australian jurisdiction to put a floor price on alcohol, the Government has announced.

On 27th Feb, the NT Government unveiled its response to a wide-ranging alcohol review commissioned by former NT Supreme Court chief justice Trevor Riley, and said it would implement a minimum \$1.30 floor price per standard drink for all alcoholic beverages.

The recommendation was for a \$1.50 floor price, NT attorney-General Natasha Fyles told Mix 104.9 in Darwin, and the Government hopes to have it in place by July 1.

"A bottle of wine has on average around seven alcohol units per bottle, so it's \$1.30 per unit of alcohol. That would put a bottle of wine around \$9, \$10, so you won't see that \$4 and \$5 bottle of wine."

Ms Fyles said the price of beer would not be affected because it already retailed at a higher cost; neither will the cost of spirits be changed.

"It's getting rid of cheap wine, particularly, that has a higher alcohol content of beer, so it affects [people] quicker," Ms Fyles said.



<http://www.abc.net.au/news/2018-02-27/nt-first-australian-jurisdiction-minimum-alcohol-floor-price/9488320>

Editors Note: The increase is set to be a windfall for alcohol retailers in the NT as the new rate will not be a tax the benefits will directly be picked up by the business operators in that state. This is likely to be the tip of the iceberg in terms of the rest of the country and would put the price of a cask out of the reach of normal everyday drinkers that enjoy a social drink. It is aimed at reducing the high level of harm caused by alcohol in the Territory which is reported widely in the media.

How could this affect growers in the Riverina? Quite simply if the scheme gets adopted and gains momentum it could be rolled out into other states. If it becomes federal the increase in price would form part of the federal taxation system.

COME AND SEE US AT THE RIVERINA FIELD DAY AND WIN

Growers that come of the Wine Grapes Marketing Board site at the Riverina Field Day can enter to win a \$500 Gifts4Locals Voucher. This will allow you to spend up to \$500 locally on many goods and services with participating business.



Tickets for growers will soon be posted to all growers 2 per business entity registered. This year the RFD is printing these so unfortunately there will be no extra available tickets for members that generally call in to grab them.

WINE GRAPES MARKETING BOARD

BOARD TO RELEASE DETAILED PLANTING INFORMATION

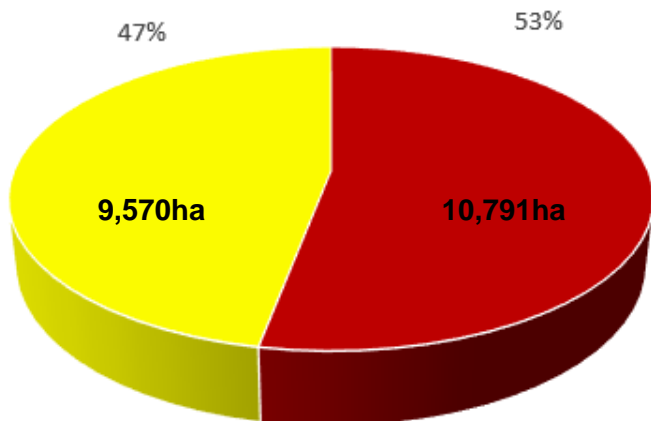
In 2017 the Board undertook another flyover of the region to capture changes to growers grape farms. Many growers through the Board's HACCP system have updated their maps and growers are now being asked to call into the office and collect a copy of your map for free.

Any changes to your farm can be advised to our staff and updates to the map will occur and your revised copy provided to you. All updates for winegrape properties are free of charge to growers.

Initial assessment of the data shows that the grape production area in the region has declined by almost 10% from 22,000 hectares at its recorded peak to 20,361 hectares looking at the latest data.

The region now boasts 70 different varieties in production with more being planted this will continue to rise with alternative varieties being introduced.

Image 1: Red and White breakdown



The major varieties have not changed to any great extent other than Pinot Grigio now a major white varietal. We have seen a reduction in the area of white winegrapes planted since the last survey in 2012 (200 hectares). Red varieties have also declined by 50 hectares. It is important to note that not all the data has been updated with winery and some grower owned vineyards still needing to be clarified for any changes.

Wine Grapes Marketing Board 182 Yambil Street Griffith NSW 2680 Phone: (02) 6962 3944 Fax: (02) 6962 6103
Email: board@wgmb.net.au Web: www.wgmb.net.au Office Hours: 8:30am - 5:00pm Mon - Fri

Table 1: Major Variety Summary

Variety	# of Blocks	Ha
Chardonnay	623	4,058
Semillon	521	1,582
Pinot Grigio	89	1,164
Shiraz	875	4,598
Cabernet Sauvignon	264	1,699
Merlot	222	1,366

These major varieties listed above make up 70% of all the regions plantings.

Age of Plantings could be a future concern

The older the vine the less likely it is to yield a viable crop for growers. 25% of the regions production is greater than 20 years of age. While this is good in terms of production the remaining balance is mostly greater than 10 years of age.

The majority of plantings occurred in the Riverina between 1996 and 2005. According to the data since 2011 only 1,200 hectares have been planted, or less than 6% of the total area.

Rootstock use is low

Rootstock use is quite low in the region. As many replants occur growers move across to a rootstock and the region only has 25% of the total area under rootstock with Ramsey being the major choice.

Irrigation Type

Drip remains the most common form of irrigation in the region with 80% of the region using this high tech form. The balance is flood and furrow with 4% of the total area unknown irrigation type.

DISCLAIMER The content in this Newsletter "Vine Chat" has been prepared by the Wine Grapes Marketing Board (the Board).

General Advice Warning The information contained is general in nature and does not take into account your personal situation. You should consider whether the information is appropriate to your needs, and where appropriate, seek professional advice from your personal advisors.

Accuracy & Reliability of Information

Although every effort has been made to verify the accuracy of the information contained in this document, the Board, its officers, employees and agents disclaim all liability (except for any liability which by law cannot be excluded), for any error, inaccuracy in, or omission from the information contained on this document or any loss or damage suffered by any person directly or indirectly through relying on this information.

Copyright

The Board owns copyright in the information contained in this document where none currently exists. Information may be duplicated for personal use only. The information may not otherwise be reproduced and must not be distributed or transmitted to any other person or used in any way without the express approval of the Board.