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Innovate, differentiate for SA wine success – VinPro Santam Cellar Conference

Innovation and the continuous strengthening of a unique identity will keep the South African wine industry at the forefront of the global wine arena.

Presenters conveyed this message to around 200 cellars, producers and other wine industry roleplayers at a VinPro Santam Cellar Conference held in Rawsonville recently. The conference was presented under the auspices of VinPro – the representative organisation for close to 3 500 South African wine producers and cellars – for the first time this year, with a financial contribution from Santam Agriculture.

"South Africans have the creativity, courage and can do attitude to give the wine industry a competitive edge," said Peter McAtamney, principal of the Australian consulting firm Wine Business Solutions.

The industry managed to continuously reinvent itself in its 355 year history, overcoming large obstacles such as wars, vineyard diseases and depressions, added Rico Basson, VinPro's managing director.

South Africa's wine exports have grown exponentially over the past two decades from 22 million litres in 1992 to 528 million litres in 2013. Although Europe remains a key market, the industry is shifting its focus to new markets such as North America, Asia and Africa.

According to Siobhan Thompson, chief executive officer of Wines of South Africa (Wosa), there has been a wave of optimism from international opinion-makers about South Africa recently, with specific reference to a new generation young, exciting winemakers and wines.

Aspects such as socially and environmentally responsible practices are increasingly important to consumers; however according to McAtamney, at the end of the day they want to know what a wine tastes like and where it comes from. "Use innovative packaging to portray this, and link experiences and concepts that are familiar to the consumer to your product. The tea industry is great at doing this," said McAtamney.

Christo Conradie, manager of VinPro's Wine Cellars division, said the wine industry does not primarily focus on getting people to drink more wine, but on getting more people to drink wine, compared to so-called RTD's and beer. South Africans drink close to 7 litres of wine per capita, compared to 8 litres/capita RTD's and 58 litres/capita beer. Conradie emphasised the importance of market-driven production, referring to a wine value-chain analysis that is being conducted with the University of Stellenbosch.

Cellars also increasingly focus their efforts on efficient energy management. According to Prof Alan Brent of the University of Stellenbosch's Centre for Renewable and Sustainable Energy Studies, measuring usage is a good start. "Take note of small, cheap ways to save energy, such as fixing leaks, checking insulation and scheduling usage around cheaper Eskom tariffs at certain times."

Danie Cronjé, director at Cluver Markotter, encouraged wine businesses to continuously stay informed of changes in liquor legislation and apply for licenses in advance where applicable to save costs.

Basson referred to a strategic framework that is being formulated by the South African wine industry to ensure an adaptable, robust, globally competitive and profitable industry by 2025. The framework will

be finalised by the end of 2014 which will, inter alia, focus on economic empowerment, market and social development, reviewing knowledge and information structures, human resource development and training, as well as technological innovation and transfer.

"Santam Agriculture has a responsibility to help create a positive environment for wine producers and cellars and it is with pride that we sponsor the VinPro Santam Cellar Conference," said Niel Esterhuyse, marketing manager: Santam Agriculture. The company is, according to him, pleased to be associated with a conference that encourages cellars to innovate in order to overcome challenges.

"We value our stakeholders' business and should have a firm grasp of all the challenges they face, in order to provide authentic insurance. These sponsorships don't only bring us closer to our clients, but give us the opportunity to obtain important input in developing tailor-made products for them," added Esterhuyse.

Download the presentations from www.vinpro.co.za.

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Photo: VinPro_Santam_Kongres.jpg

Caption: Sponsors and presenters at the VinPro Santam Cellar Conference: Niel Esterhuyse (Santam), Rico Basson (VinPro), Peter McAtamney (Wine Business Solutions), Danie Cronjé (Cluver Markotter), Siobhan Thompson (Wosa), Alan Brent (US), Christo Conradie (VinPro) and Bertus Kloppers (Santam).