



QUARTERLY PROGRESS SUMMARY: July – September 2015

Producing premium naturally produced lower alcohol, lower calorie New Zealand Wines “Lifestyle Wines”

Summary of progress during this quarter

- All projects related to the ‘Lifestyle Wines’ PGP programme are on track for the first quarter (YE 2016) reporting period.
- In the vineyard, budburst (late August onwards) marks the start of another growing season; similarly, the Lifestyle Wines PGP programme has returned to development and establishment of seasonal projects, with Year 2 work plans now making good progress:
 - Project 1 (Market Access) developing a 'category story' for promotion in export markets and determining capacity of current and planned production of lower alcohol, lower calorie wines.
 - Project 2 (Sensory Perception), Project 3 (Vineyard Manipulations) and Project 4 (Winery Manipulations) – Year 2 trials established or in development for the season ahead.
 - Project 5 (Communications and Tech Transfer) developed a new format for 'how-to' information sheets developed for practical application of results from trials in Programme, with plans now under way to provide additional forums to aid uptake at the appropriate point in the growing season (vineyard field day and winery open house).
- The qualitative consumer research completed in July marked the culmination of the initial and extensive market research confirming the market opportunity for Lifestyle Wines and supporting the continuation of the Programme and prioritisation of its funding.

Key highlights and achievements

- Presentations on the Lifestyle Wines PGP programme were provided at the annual wine industry conference in late August (495 registered attendees). The Romeo Bragato 2015 Conference (26-28 August) covered premium, lower alcohol wines in a variety of forums:
 - Plenary sessions, with an introduction to the PGP programme, overview of market perceptions and an industry view of overseas competition
 - Workshop sessions on turning 'Lifestyle Wines into a Reality', with industry presentations by staff members from four grantor companies
 - Two tasting sessions focusing on lower alcohol, lower calorie wines
- Marketing Workshop, 11 August, Blenheim, Marlborough Vintners Hotel, a facilitated event for PGP Lifestyle Wines marketers (presentations by Richard Lee, PGP Marketing Manager; Chris Yorke, NZ Winegrowers Global Marketing Director; and Ted Doraisamy, external facilitator)
- Popular article on Lifestyle Wines PGP programme published by New Zealand Winegrower Magazine Research Supplement ('Retreat from 15% – reducing wine alcohol levels,' August/September 2015)
- 'Canopy Management For Lower Alcohol Wines' (tech transfer document re: Objective 3.1 Early Harvest Techniques, Milestone 3.1.3 Leaf Area To Fruit Weight Ratio), distributed at the end of September 2015

Upcoming

Market Access

- Execute survey re: (1) participating companies' capacity to supply and penetrate key export markets and (2) viticultural and winemaking techniques currently in use to produce NZ lower alcohol wines.

Sensory Perception

- Second iteration of sensory panel evaluations will begin in October to understand the impact of wine composition (acid, residual sugar and alcohol levels) on sensory perception of lower alcohol wines.

Vineyard Manipulations

- Establishment of year two trials re: deficit irrigation, vine nutrition, harvest timing and canopy management.

Winery Manipulations

- Establishment of year two trials on grape and juice handling.
- Completion of year two trials initiated for yeast selections followed by data analysis.

Communications & Tech Transfer

- Continue monthly eNewsletter.
- Support the Lifestyle Wine portal on NZWine.com.
- Convene October (Annual Grantors') workshop and develop new December vineyard event re: canopy management trials.

Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$208,140	\$233,880	\$442,020
Programme To Date	\$1,388,004	\$1,426,089	\$2,814,093