



## QUARTERLY PROGRESS SUMMARY: January – March 2016

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

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#### Summary of progress during this quarter

- All projects related to the ‘Lifestyle Wines’ PGP programme are on track for the third quarter (YE 2016) reporting period.
- The New Zealand harvest is in full swing in March in most winegrowing regions and will continue through April. Companies participating in the Lifestyle Wines PGP programme are immersed in vintage activities in the vineyard and the winery, with many planning to produce lower alcohol wines this year. Meanwhile, all projects have continued to make good progress in this reporting period:
  - Project 1 (Market Access) – commissioned additional NZ consumer qualitative market research in early 2016 (completed by Wine Intelligence) and studied intellectual property issues as they relate to international law (with regard to any messaging/labelling used to promote lower alcohol wines).
  - Project 2 (Sensory Perception) provided analysis and reporting for sensory panel evaluations regarding the impact of wine composition (acid, residual sugar and alcohol levels) on lower alcohol wines.
  - Project 3 (Vineyard Manipulations) soon to conclude vintage 2016 trials.
  - Project 4 (Winery Manipulations) completed preparations for vintage 2016 activities at the research facility and grantor companies.
  - Project 5 (Communications and Tech Transfer) provided a winemaking workshop for grantors on 10 February, offering insights into harvest criteria, yeast selection and fermentation techniques to produce lower alcohol wines.

#### Key highlights and achievements

- Domestic sales from lower alcohol wines have already eclipsed the original target set for 2024 by New Zealand Winegrowers' Lifestyle Wines PGP Programme. Over the summer and holiday season, lower alcohol wines not only demonstrated their appeal to consumers, they were also responsible for a significant portion of incremental growth in total NZ wine sales.
- Information reported by the Lifestyle Wines PGP Programme is now providing insights into the production and marketing of lower alcohol wines. More than 20 reports and 20 seminar presentations are now available to grantors via the [nzwine.com](http://nzwine.com) website.

## Upcoming

### Market Access

- The 2nd Lifestyle Wine marketing workshop will be held 5 April in Marlborough. It will offer grantors' case studies, a market situation update and group workshop activities focused on creating a compelling NZ category development story and consistent messaging.

### Sensory Perception

- Sensory evaluation of research wines are ongoing, particularly the impact of the level of alcohol on the sensory attributes of wine.

### Vineyard Manipulations

- Fruit harvested from trials related to vine nutrition, deficit irrigation and canopy management will be utilised for winemaking trials during vintage 2016.

### Winery Manipulations

- Multiple winemaking trials are scheduled for vintage 2016, at both the research facility and grantor companies.

### Communications & Tech Transfer

- Continue monthly eNewsletter.
- Support the Lifestyle Wine portal on nzwine.com.
- Assist in development of April marketing event and planning for October workshop.

## Investment

<b>Investment period</b>	<b>Industry contribution</b>	<b>MPI contribution</b>	<b>Total investment</b>
During this Quarter	\$754,983	\$264,564	\$1,019,548
Programme To Date	\$2,694,847	\$2,430,704	\$5,125,551