



QUARTERLY PROGRESS SUMMARY: April – June 2018

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

Summary of progress during this quarter

- Following vintage 2018, each company participating in the Lighter Wines PGP programme was contacted to ascertain forecasted volumes for lighter wine exports in the year ahead. The New Zealand vintage in total was reported to be up 6% on the very small 2017 tonnage, with 419,000 tonnes of grapes harvested in 2018. Participating companies have increased their production of lighter wines by proportionally greater amount. NZ Winegrowers expects that export growth in the year ahead will be modest, and this forecast would appear to apply to exports in the lighter wines category as well.
- All projects have continued to make good progress in this reporting period:
 - Project 1 (Market Access) provided updates and analysis on the lighter wine category performance based on retail scan data for New Zealand and key overseas markets. Marketing and public relations initiatives are now under way to champion export success, significant awards and other achievements by participating companies. Discussions continue regarding potential new retail opportunities for the Australian, Canadian and UK markets. Three tastings and presentations were organised in May and June for visiting retail gatekeepers from the UK: Majestic, Tesco, and Marks & Spencer.
 - Project 4 (Winery Manipulations). Work conducted in vintage 2018 saw the completion of winemaking trials associated with juice treatments, fermentation conditions and winemaking processes.
 - Project 5 (Communications and Tech Transfer) provided a workshop on marketing and export opportunities for NZ Lighter Wines in April. Sessions were videotaped and posted to the grantors' area of nzwine.com. A feature-length article profiling three companies participating in the PGP programme was published in New Zealand Winegrower magazine in the December 2017/January 2018 issue.
- All projects related to the 'Lighter Wines' PGP programme are on track for the fourth quarter (YE 2018) reporting period.

Key highlights and achievements

- Major lighter wine listings for programme participant Forrest Wines were launched in the UK in May with retailers Tesco and Marks & Spencer.
- Media coverage of NZ Lighter Wines has increased significantly in 2018, following contracted public relations campaigns in NZ and the UK, achieving an estimated reach of approximately 30 million readers for selected coverage tied in to Forrest Wines' product launches.
- Key retail gatekeepers in export markets have recently approached the NZ Lighter Wines programme team to specifically request information about category development opportunities. Three tastings and presentations

were organised in May and June for visiting retail gatekeepers from the UK: Majestic, Tesco, and Marks & Spencer.

Upcoming Market Access

- The programme manager and the marketing manager will continue to explore new opportunities to build awareness of the PGP Lighter Wines programme and to promote NZ Lighter Wines in key export markets. Managers will meet with advertising and public relations agencies to develop key messages and strategic plans.

Sensory Perception

- Completion of an analysis of the sensory characterisations elicited from winemakers for lighter (low alcohol) Sauvignon Blanc wines in comparison to full-strength offerings by the same brand. A new sensory panel will begin to explore the impact of the variation in berry ripeness on the quality of lighter wines.

Vineyard Manipulations

- Completion of data analysis for the 2018 vintage, including trials related to vine nutrition and canopy management for the production of lower alcohol wines.

Winery Manipulations

- Finishing wines made from the 2018 vintage, with evaluations of sensory properties.
- Continue planned evaluations of treatments that reduce the sugar levels of grape juice.
- Continuation of yeast and fermentation trials investigating approaches of juice treatments that lower the alcohol in finished wines.

Communications & Tech Transfer

- Continue eNewsletter to participating companies.
- Support the Lighter Wines portal on nzwine.com.
- Assist in development and planning for events and creation of content.

Investment

Investment period	Industry contribution	MPI Contribution	Total Investment
During this Quarter	\$909,819	\$472,157	\$1,381,976
Programme To Date	\$7,028,180	\$5,737,218	\$12,765,398