



QUARTERLY PROGRESS SUMMARY: October – December 2017

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

Summary of progress during this quarter

- The third annual survey of participating companies in the PGP Lighter Wines programme was completed by all companies, providing valuable information regarding the programme’s collective production status, future capacity and individuals’ perceptions regarding the quality and flavour of the lower alcohol wines produced to date. Preparations for vintage 2018 are well under way, and the programme has established a range of vineyard and winery trials through to April. All projects have continued to make good progress in this reporting period:
 - Project 1 (Market Access) conducted interviews with each grantor company following the annual survey to discuss capacity going forward, export plans, and company feedback on the PGP programme. New consumer research, to be conducted by Wine Intelligence, has been commissioned on key international markets for New Zealand lower alcohol wines. Marketing and public relations opportunities are being explored to determine appropriate platforms and approach for building the category story in export markets. Potential new retail opportunities have also been identified for the Australian, Canadian and UK markets. Signals are strong that there is a growing demand for lower alcohol wines and the timing of this Programme is well aligned to this growth.
 - Project 2 (Sensory Perception) recently revised the sensory “ballot” used for characterising Sauvignon Blanc wines. This was based on insights gained from 26 Marlborough winemakers on how they describe Sauvignon Blanc wine and the sensory characteristics they pay attention to when evaluating wines – especially in terms of “complexity” and “typicity”. Sensory characterisations were collected in three sessions of “brand pairs” of commercial lighter and full-strength Sauvignon Blanc wines.
 - Project 3 (Vineyard Manipulations) has established the field trials for the current growing season and is now monitoring results in the months leading up to vintage 2018. Once again, nutrition and canopy manipulation trials of Sauvignon Blanc, Pinot Gris, Pinot Noir and Merlot will be undertaken in Hawke’s Bay, Central Otago and Marlborough.
 - Project 4 (Winery Manipulations). Work is now focused on preparations for the winemaking trials associated with juice treatments, fermentation conditions and winemaking processes that will begin in March 2018 and continue through to the end of April. The research has identified real opportunities with fermentation conditions and juice treatments that naturally enable wines of lower alcohol to be created.
 - Project 5 (Communications and Tech Transfer) provided the fourth annual Grantors Workshop on 18-19 October, with presentations of research results and other commentary for all areas of the programme. Progress updates were provided for Projects 1, 2, 3, and 4, in combination with extensive tailored tastings of the lighter wines produced by grantors and via research trials. 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 second quarter (YE 2018) reporting period.

Key highlights and achievements

- Presentations at the Lighter Wines Grantors Workshop (18-19 October in Blenheim) were well received by participants, with most companies sending two representatives to attend the sessions. This year's event again provided a strong marketing focus, with two keynote speakers providing extensive retail experience, in addition to the research updates and tailored tastings.
- The Lighter Wines PGP programme participated in the 2017 Food and Fibre Innovation Conference in Wellington, hosted by the Ministry for Primary Industries. The team provided printed brochures and complimentary tastings of lighter wines produced by participating companies at the Lighter Wines exhibitor's booth.
- The annual grantors survey indicates that nearly three-quarters of grantor companies have produced a lower alcohol wine. Those companies that are not yet producing a lower alcohol wine remain focused on moderating alcohol levels in existing wines. Of the companies now making lower alcohol wines, 85% sold their wines domestically and 54% also exported wines, with the majority of producers (86%) planning to increase exports in future.

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

- Using data collected from recent winemaker and sensory panels, the team will analyse the sensory characterisations elicited for lighter strength Sauvignon Blanc wines in comparison to full-strength offerings by the same brand.

Vineyard Manipulations

- Trials are under way for research related to vine nutrition and canopy management for the production of lower alcohol wines. Trials will continue through to post-harvest 2018.

Winery Manipulations

- Preparations are under way for vintage 2018 winemaking activities at both the research facility and grantor companies.

Communications & Tech Transfer

- Continue monthly eNewsletter.
- 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	\$181,110	\$695,849	\$876,959
Programme To Date	\$5,745,210	\$4,876,618	\$10,621,829