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A New Chapter for Australian Wines

Australian wine sales have had a pretty tumultuous track record in the US. Looking back to the mid 2000's "critter labels" and popular priced wines from Australia were in high demand. And then, seemingly overnight, Australian wine sales dropped off the map. Of course, it wasn't really overnight, a combination of category over-saturation, a grape glut and a strong Australian dollar all took part in eroding the image of Australian wines. But in 2013 Australia is hoping to begin anew in the US.

You'll recall a number of the big Australian companies like [Treasury Wine Estates](#) and [Accolade Wines](#) have upped their efforts to win in the US market. And it may be working. When perusing the most recent Nielsen data, we noticed that the Australian wine segment's 4-week performance (to March 2) marked a significant improvement over its 13 and 52-week trends. Mind you, for the 4 weeks sales were still down -2.2% and volumes were down -0.3%. But the numbers are going the right way improving on a 13-week sales performance of -3.6% and -4% for the 52 weeks. Volume trends are a similar story at -0.8% for the 13 weeks and -1.2% for the 52 weeks.

Australian wines are also beginning to edge pricing up. In the 52-week period pricing was down -15 cents. From there it was down -14 cents for the 13 weeks and only down -10 cents for the 4 weeks.

NEXT CHAPTER: "I think Australian wine is in an extremely exciting point at the moment," **Gordon Little, co-founder of Australian wine importing company Little Peacock Imports**, told WSD. Wine Australia, the trade organization that represents the country is also in the process of launching an Australian wine campaign in the US market called "Next Chapter," which will encompass tastings, trade and media events, and programming out of Australia. "The next chapter is supposed to be like, 'Yeah, let's turn the page,'" he says.

PRICING: So where is Australian wine headed? Gordon says the exchange rate took a lot of players out of the US market. As a result, he doesn't believe the majority of Australian wines can be competitive in the \$15 and under price segments anymore. "That has been taken by Argentina and Chile, countries with low disease pressure, affordable labor and closer shipping," he says. "The new face for Australia is the \$15 and upwards category, and really that means a more nuanced and elegant product is going to become the standard/expectation for Aussie wine."

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