

### **Guest Speaker:**

Barry Stone introduced Grant Bellve, International Manager of Tyrrell's wines, to speak on the subject "Wine Export – A Changing Picture". Barry said that we were very lucky to have Grant because of his extensive travel commitments and short notice.

- Grant congratulated the Club on its anniversary, and said he would talk about Tyrrells for 3 or 4 minutes and then cover each decade from the 1980s to the present plus some thoughts about the future there followed by tasting two Hunter Valley wines.
- Tyrrells is the second oldest family owned winery in Australia (after Yalumba) established in 1858 in the Hunter Valley. The vines in the Hunter Valley (and in Barossa and Western Australia) are free of the insect phylloxera which wiped out vineyards in Europe (vines there are now grown on American rootstock). So the Hunter region is fortunate in having grapes grown on old vines originally sourced from France and Spain which no longer survive there. Tyrrells has the oldest Shiraz vines ("Old Patch") in NSW planted in 1867 producing 100 point rated wines.
- Tyrrells also has vineyards in Heathcote in Victoria. After harvest the fruit is loaded onto trucks and transported to the Hunter. In Europe, they probably do not understand the size of Australia and some may say an 18 hour trip is "ridiculous" but Tyrrells see advantages due to tannin and colour extraction from the movement in holding vessels during the trip.
- The Hunter Valley is a small producer, Hunter Valley wines representing only 0.3% of Australia's production. That is why there are no Tyrrell's Hunter appellation wines at \$9 per bottle (wine sourced solely from Hunter Valley).
- Total exports from Australia in 2019 amounted to \$2.91 Billion, of which nearly 50% (\$1.3 Billion) were to China, our biggest market by far. While volume was 12% down for the year value was 18% up as winemakers move away from cheaper wines.
- Back in the 1980s Australia exported \$150 Million worth of wine and it was all about fun, sunshine in a bottle, breaking down snobbishness and colourful "varietal" labels. Winemakers worked together supported by Crocodile Dundee and the success of Grange becoming #1 rated red wine in the world.
- In the 1990s Australia became a force to be reckoned with (sales increasing to \$500 Million). This decade was all about market share (volumes) and Australia was 1, 2 or 3 in most major markets. In key markets (UK, Canada and USA) it was all too easy with rich styles of Shiraz and Chardonnay in high demand, and we rested on our laurels.
- At the beginning of the 2000 decade things were going well, but the decision was made to move from chasing market share in retail to "Hotel, Restaurant and Catering" (HoReCa). However the transition was and still is taking a long time. Ask a friend from overseas about Australian wines and they will probably say "Yellowtail". Then 15-18 years of being THE country began to fade, Japan fell away and the GFC caused values to slump (although volumes held up). Grant was in the USA during 9/11 which was a scary time. He ended up driving from New York to LA to return home.
- The 2010 decade saw tannin becoming softer and alcohol content lower. China became our number one market by value but is difficult to deal with. The UK is still our largest market by volume and cheaper wines are being exported in bulk and bottled overseas due to lower bottling costs and better bottles. Online purchasing has taken off particularly in China with their low transport costs. Wine Australia received a \$50 Million grant from the Commonwealth to help with the transition to "HoReCa" and amazing prices are now being paid for premium wines. Wine export is now all about China. Anyone not selling to China should not be exporting wine. Top markets now (2019) are China (\$1.3Bn), USA (\$419M), UK (\$152M), Canada (\$138M) and Singapore (\$105M but mostly distributed to other markets in Asia).
- Looking to the future Chardonnay, Shiraz and Cab Sav are for people like us. Young people are looking for new grape varieties, particularly Italian varieties and wine in cans (for safety reasons among others), low or no alcohol wines, Cannabis infused wines, Gin and Ginessence are becoming massive around the world. The industry will change in the next 5 to 10 years, with 10 to 20 global companies selling direct to the big chains. Family winemakers like Tyrrells will look after smaller retail independents, hotels and restaurants.
- Grant then invited everyone to taste two of Tyrrell's Hunter Valley wines, a 2019 Semillon and 2018 Shiraz. During the tasting, Grant provided further details on the two wines.

After the tasting, Hugh Secombe thanked Grant saying that it was a stimulating and informative talk and we really appreciate that he made time for us within his very busy schedule, to enthusiastic applause. Hugh then presented Grant with a gift a little different from the usual bottle of wine (in this case a box of chocolates).