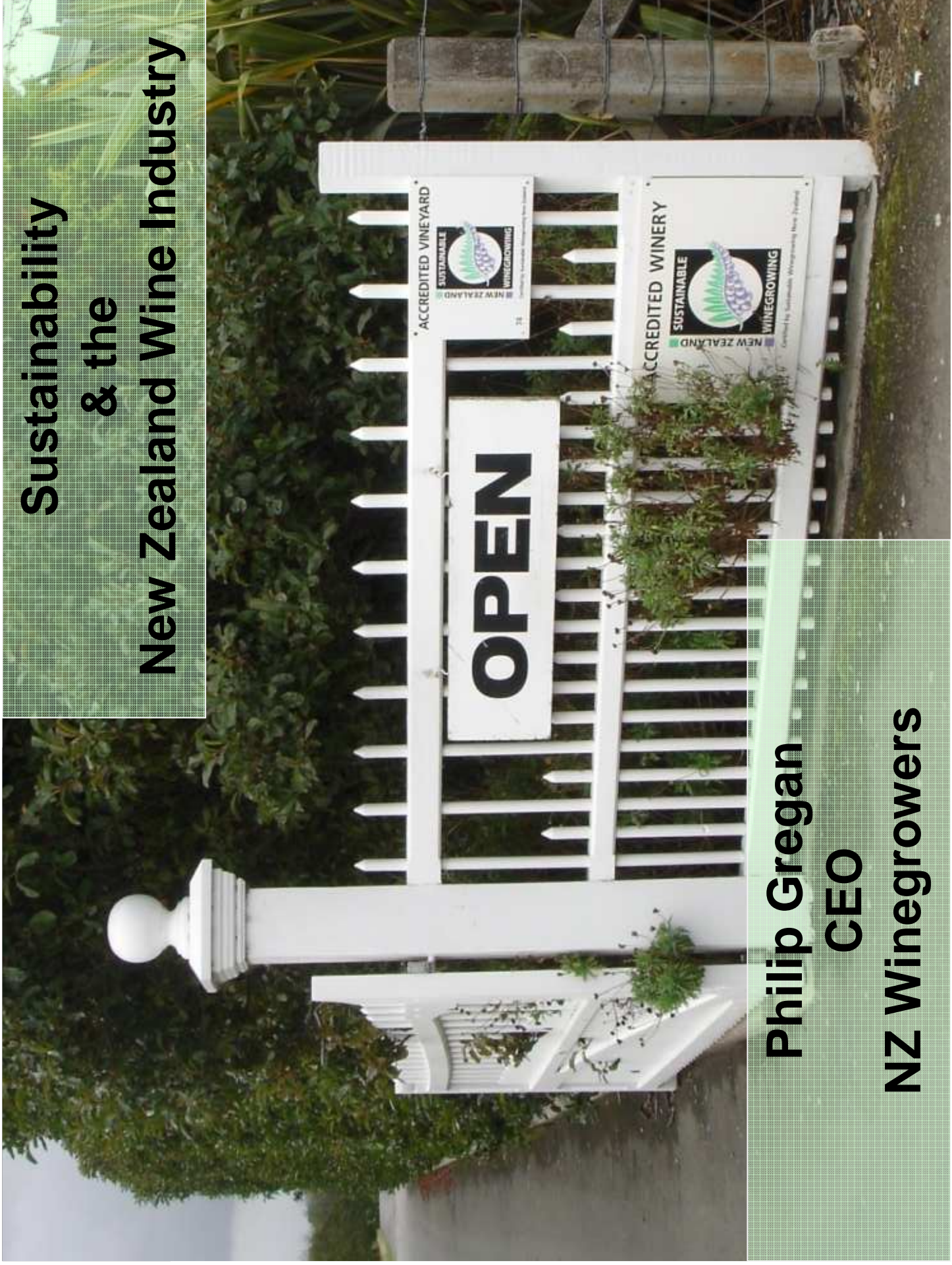


Sustainability & the New Zealand Wine Industry



Philip Gregan
CEO
NZ Winegrowers



Introduction

The New Zealand Wine industry has been very successful over the past two decades.

One of the reasons for that success has been it is very market oriented.

Early on we detected market interest in Sustainability issues....

And we reacted to that...



The New Zealand Wine Industry

We are:

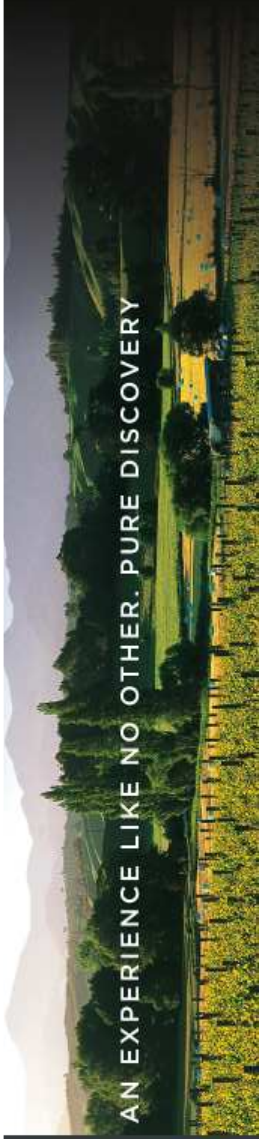
- **The largest horticultural crop by area in NZ – at least 29,000 ha under vine**
- **Exports are currently valued at just under \$800 million & domestic sales of \$500 million**
- **580 winemakers and at least 1,000 independent grape growers**
- **We are part of the ‘new’ agriculture in NZ**



Our Current Policy

In June 2007 we issued our Sustainability Policy

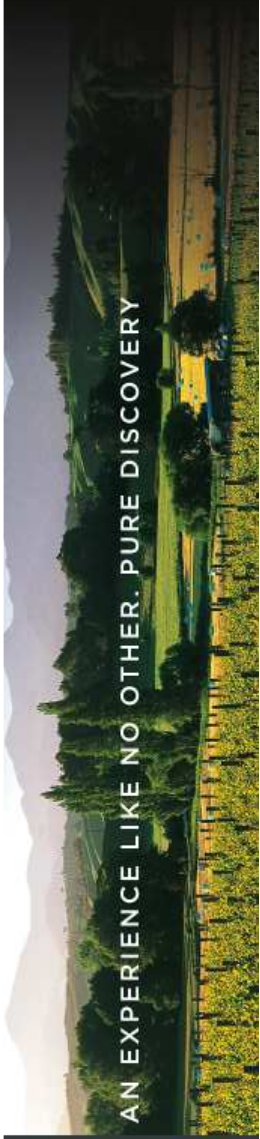
- **The Goal – 100% of the industry operating under independently audited sustainability schemes by 2012**



Our Current Policy

Can be:

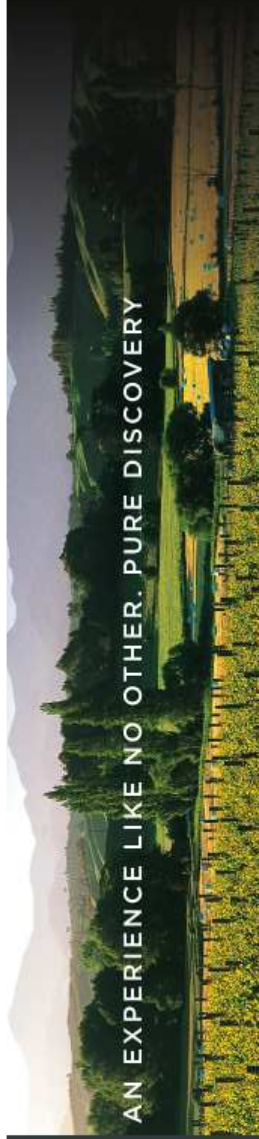
- **Organics**
- **Biodynamics**
- **ISO 14000**
- **Sustainable Winegrowing New Zealand**
- **Or any other scheme meeting those criteria**



Our Journey – The Beginning

Modern farming methods are a post-WW2 phenomenon & have been very successful:

- **Huge increases in global food production – the world is much less hungry**
- **Price of food has fallen dramatically**



Our Journey – 1992: The Plan

Indulged in a Strategic Plan – aim was to achieve \$100 million of exports in 2000



Our Journey – 1993: The Investigation

In 1993 Dr David Jordan was sent to Switzerland to investigate integrated wine production

Why?

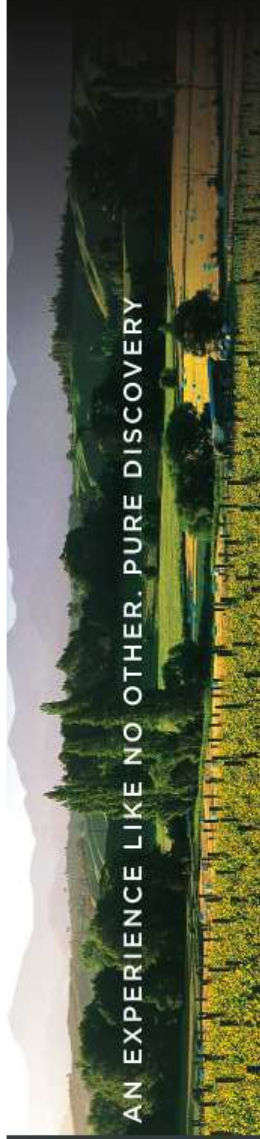
- **Exports of growing importance; &**
- **Concern over cost & reliance on artificial interventions (eg sprays) & market risk**
- **Belief that we could produce better wine by being more natural**
- **Resource Management Act**
- **An intergenerational view of the land**



Our Journey – 1993: The Thinking

18 months of thinking followed – key philosophies:

- **Continuous improvement**
- **Practical, on ground advice**
- **Encourage & cajole rather than regulate**
- **Research the tough questions**
- **Traceability**
- **Independent audit**

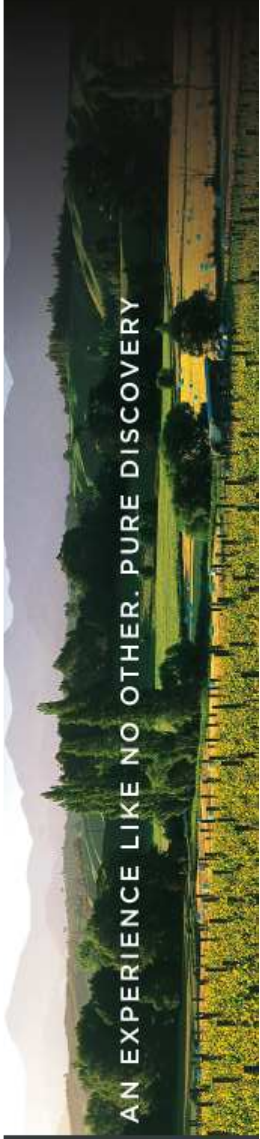


Our Journey – 1995: The Launch

In 1995 NZ Integrated Winegrape Production Scheme was launched with 25 vineyards



NEW ZEALAND WINE



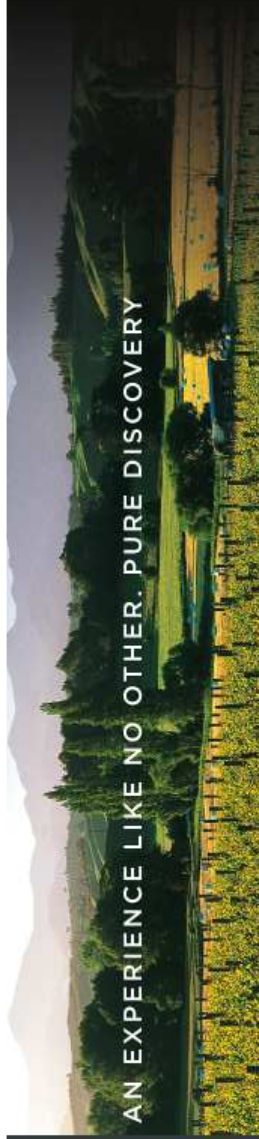
Our Journey – 2000: The Progress

In 2000 – 7,000 ha under NZIWP umbrella



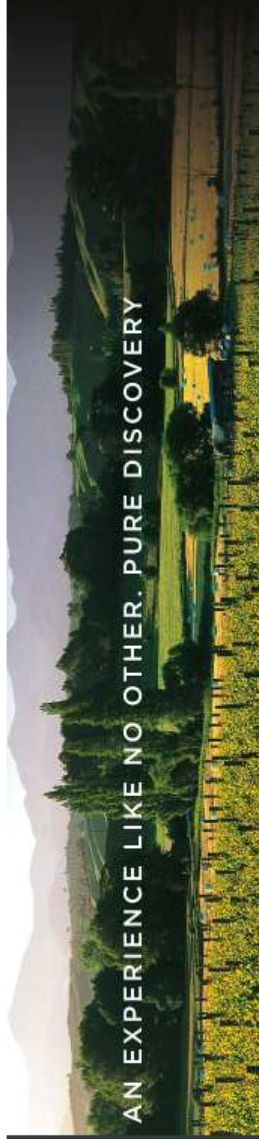
Our Journey – 2002: Moving on

- **NZIWP rebranded as :**
 - ***Sustainable Winegrowing New Zealand***
 - **Organic grape & wine standard launched**



Our Journey – 2003 Speeding up!

- **2003 Winery module of SWNZ launched**
- **2005 Review of SWNZ conducted**
- **2006 Board consider Review Report**
- **2007 April Draft Sustainability Policy issued**
- **2007 June Sustainability Policy approved**



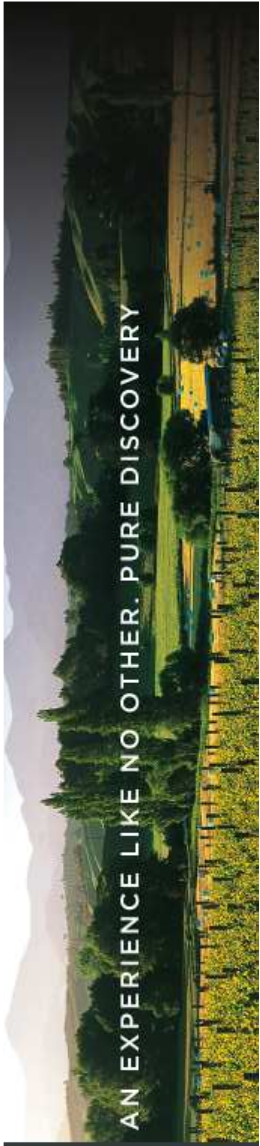
Our Journey - Today

**Since our Sustainability Policy launched in June last year,
new members include:**

- **235 vineyards totalling 4,900 ha**
- **24 new wineries**



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AN EXPERIENCE LIKE NO OTHER. PURE DISCOVERY

Our Learnings – No. 1

- **People care**
- **... but they need guidance & information**
- **Our role - make it easy for them**



Our Learnings – No.2

- **It gets people thinking about what they do**



NEW ZEALAND WINE
PURE DISCOVERY

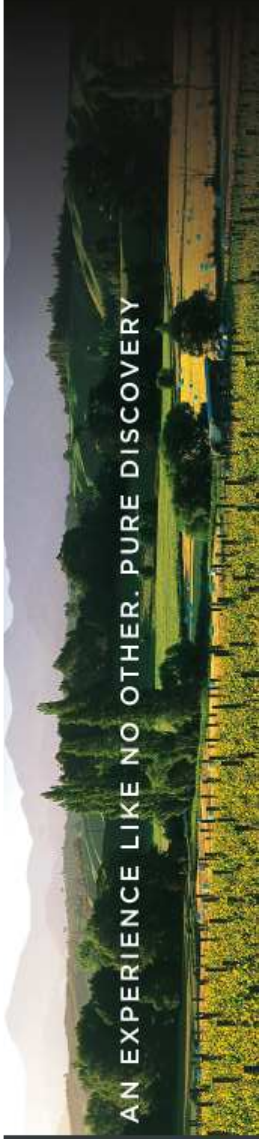
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AN EXPERIENCE LIKE NO OTHER. PURE DISCOVERY

Our Learnings - Research

Sustainability is built on research:

- **Deficit irrigation**
- **Natural solutions to control botrytis, powdery etc**
- **Natural solutions to control mealy bug**
- **Mulching trials**
- **Winery waste management**
- **Annual spray schedule**
- **Pesticide leaching research**
- **Sward management**
- **Falcons for grapes**



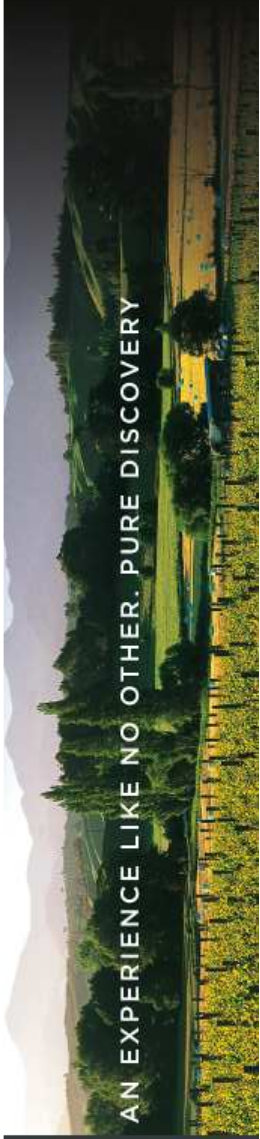
Our Learnings - Credibility

- **Traceability**
- **Audit**
- **Audit integration**



Our Learnings – Market Recognition

- **The definition – what is sustainability?**
- **More complex than organics**
- **Trade barriers will be erected**

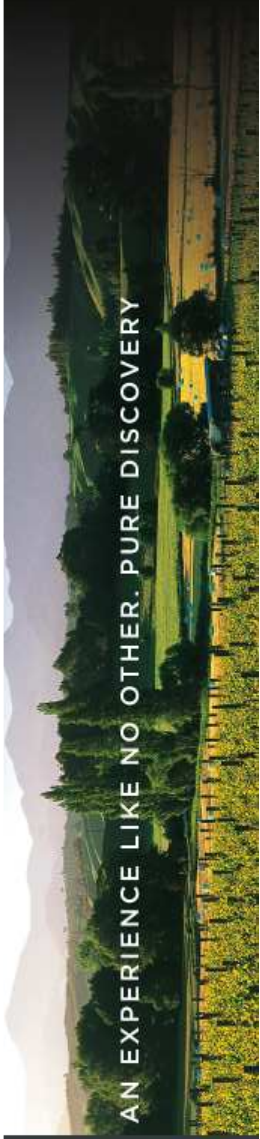


Our Learnings – Cost

- **Small businesses are under intense pressure**
- **Sustainability requires time and money in the short term**
- **Long term we believe it will save both money & time**

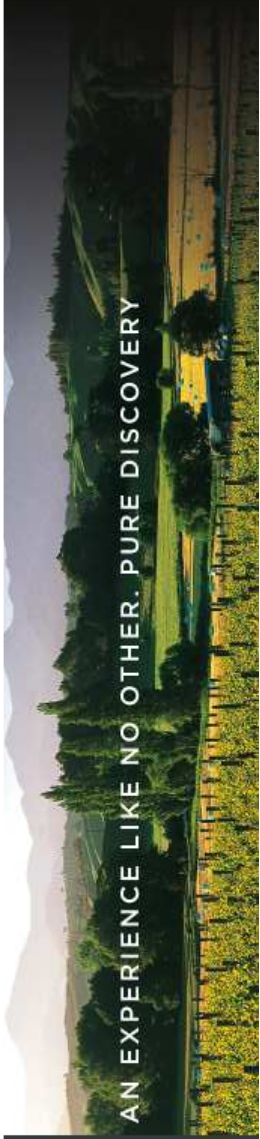


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Our Learnings – Change

- **Are we/you sustainable?**

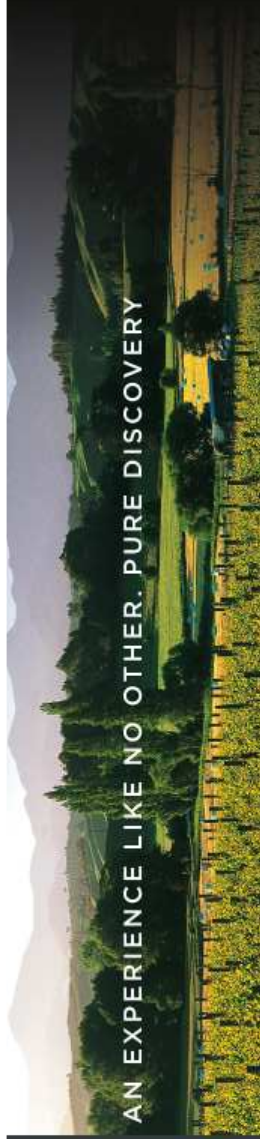


Sustainability: Our Market

Why, internationally do people buy NZ wine?

In part, its because it says something about them as a person: their aspirations, their innovation: it is about who they are....

And they care, or believe they do, about people and the environment



Sustainability – Why Bother?

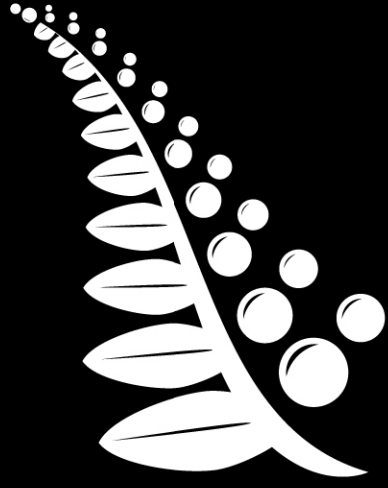
Why bother?

- **You will not make more money being sustainable**
- **You will be in business though!**

It is the passport to trade



What way is there to produce grapes and wine other than sustainably?



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PURE DISCOVERY