

AUSTRALIA HAS LANDED

Australian Wines Come Up From Down Under

by Fred Tibbitts Jr., Wine Consultant

If you haven't noticed, some of the best wine values are no longer from France or Italy or California: They're from Australia, and there are plenty more on the way. There is no question: Australian wine is here to stay.

Australia has now passed France to become the number two imported wine in the United States, second only to Italy, and I see Australia overtaking Italy by 2006 or before. Australia's wine industry intends to double wine sales to \$5 billion over the new decade and further to dominate the global premium wine market by 2025.

The Australian government and strategic industry alliances are all working in concert to reach their goal on schedule. Today approximately 70 percent of Australian wine exports are sold to the United Kingdom (49 percent or \$762 million) and the United States (21 percent or \$457 million).

Last year, shipments to the United Kingdom grew more than 21 percent, while shipments to the United States grew by more than 31 percent. And Australia is soon to overtake France for the top import spot in the United Kingdom.

Currently Canada, New Zealand, Europe, Japan and "other" (in that order) account for the other 30 percent of Australian wine exports. If the



Southcorp, ya gotta just stay tuned to see what will happen next.

Australian wines have been most successful in English speaking countries and less impressive in much of continental Europe. If the ambitious goals are to be met, the Australian wines must achieve double-digit growth every year in new markets, and more of the adult world must drink premium wine.

Point of difference

In the recent Harpers Supplement on Australia, one of my favorite Australian "flying winemakers," Dr. Richard Smart, stated, "Appellations are things created by the French to make New World producers fall out with one another."

Australia is about "terroir" or the microclimates with their different soils and related conditions, but more than anything it is about wine brands and the globalization of a rich and varied wine culture.

In the end, those wine producers who constantly improve their understanding of what wine consumers want and deliver it with superior value will prosper. Australia is learning faster and better how to satisfy the palates and the pocket books of wine consumers.

Will Australia reach or exceed its lofty goals for the decade and the quarter century? To quote a popular 1940's radio serial, "Only the Shadow knows" — unless of course you've got a crystal ball. But, at least for now, the Aussie dream continues. I'm a believer. Are you? **RM**

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Australians are to accomplish their lofty goals for the decade and out to 2025, they must establish the same record worldwide.

Headway in major markets

Australian wine's progress in two of the world's most important wine markets, the United Kingdom and the United States, is outstanding and is a major reason that Australia's wine export future is indeed bright.

Four Australian wine companies — Southcorp, Beringer Blass, Orlando/Pernod Ricard and BRL Hardy ("The Big Four") — dominate the business, but with nearly 1,500 licensed wineries in Australia, the picture is anything but static. And with the recent turbulence at