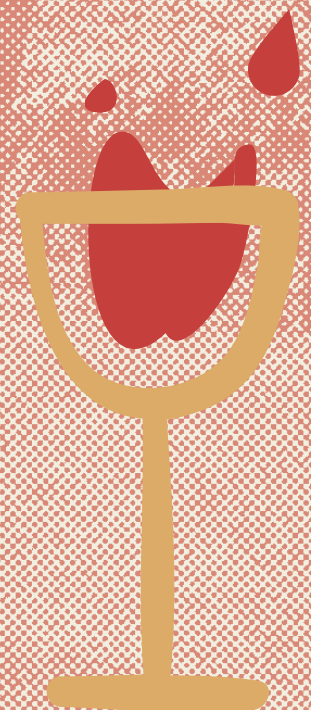


WINE TASMANIA

ASSISTING TASMANIAN VIGNERONS
TO BE RECOGNISED AS WORLD LEADERS.

STRATEGY 2021–2023

RELEASED: APRIL 2021





OUR VISION:
**TO BUILD TASMANIA'S
REPUTATION AS A
COOL WINE REGION
LIKE NO OTHER ON
THE PLANET, WITH
DEMAND FOR ITS
WINES CONTINUING TO
EXCEED PRODUCTION.**

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INTRODUCTION

The Tasmanian wine sector is a significant and growing contributor to the state's economy, regional employment, agriculture, manufacturing, tourism, hospitality and the overall Tasmanian brand. Wine Tasmania's Strategy 2021-23 is focused on maximising the opportunities for Tasmanian wine producers, driving the demand, value and increasing price points of Tasmanian wine, and supporting the profitability of individual wine businesses. While always maintaining a long-term focus, Covid-19 has negatively impacted the Tasmanian wine sector. Wine Tasmania's Strategic Plan therefore reflects changing priorities to best support wine producers to recover and contribute to future success.

OUR STRATEGIES

1 >>

PROACTIVELY PURSUE OPPORTUNITIES TO COMMUNICATE, POSITION AND PROMOTE THE UNIQUE TASMANIAN WINE STORY AND DRIVE MARKET-LED GROWTH.

2 >>

PROGRESS TASMANIA'S REPUTATION AS A DIFFERENTIATED WINE PRODUCING AND VISITOR DESTINATION.

3 >>

INSPIRE, SUPPORT, EDUCATE AND ASSIST TASMANIAN WINE PRODUCERS TO GROW THEIR BUSINESS PERFORMANCE.





MEASURES OF SUCCESS

Measure ¹	2018	2019	2020	2021	2022	2023
Average value of Tasmanian wine PER BOTTLE (domestic off-premise)* (Australian average)	\$22.62 (\$11.48)	\$22.44 (\$8.13)	sparkling wine - \$26.00 all wine - \$22.00 (\$12.00)	+5%	+5%	+5%
Average value of Tasmanian wine PER LITRE (export) (Australian average)	\$13.66 (\$5.48)	\$14.39 (\$5.63)	\$16.12 (\$7.08)	+5%	+5%	+5%
Average value of Tasmanian wine grapes PER TONNE (Australian average)	\$2,977 (\$609)	\$2,827 (\$664)	\$3,037 (\$694)	+3%	+3%	+3%
Availability of Tasmanian wine (5 year average)	1,172,283 dozen (886,900)	1,240,778 dozen (1,039,456)	889,000 dozen (1,072,656)	+5%	+5%	+5%
Tasmanian vineyard area - bearing (non-bearing)	1,800ha (137ha, 7.6%)	1,890ha (225ha, 11.9%)	1,955ha (203ha, 10.4%)	N/A	N/A	N/A
Visits to Tasmanian cellar doors (% of all visitors)	296,400 (23%)	279,139 (21%)	N/A	20% of all visitors	25% of all visitors	30% of all visitors
Average spend – cellar door visitors (all visitors)	\$2,618pp (\$1,850pp)	\$2,846pp (\$1,903pp)	N/A N/A	+5% N/A	+5% N/A	+5% N/A
VinØ Program (% of production)	23 members (40%)	25 members (52%)	22 members (55%)	63% of production	70% of production	76% of production
VinØ Program score	2.44	2.45	2.37	2.5	2.75	3.0
Visits to Wine Tasmania website	156,477	160,000	170,000	180,000	190,000	200,000

* Note, this is based on available off-premise data, and does not capture the retail value of Tasmanian wine, such as sales through cellar door and direct.

¹ Sources: Wine Tasmania, Wine Australia, IRI MarketEdge, Tourism Tasmania



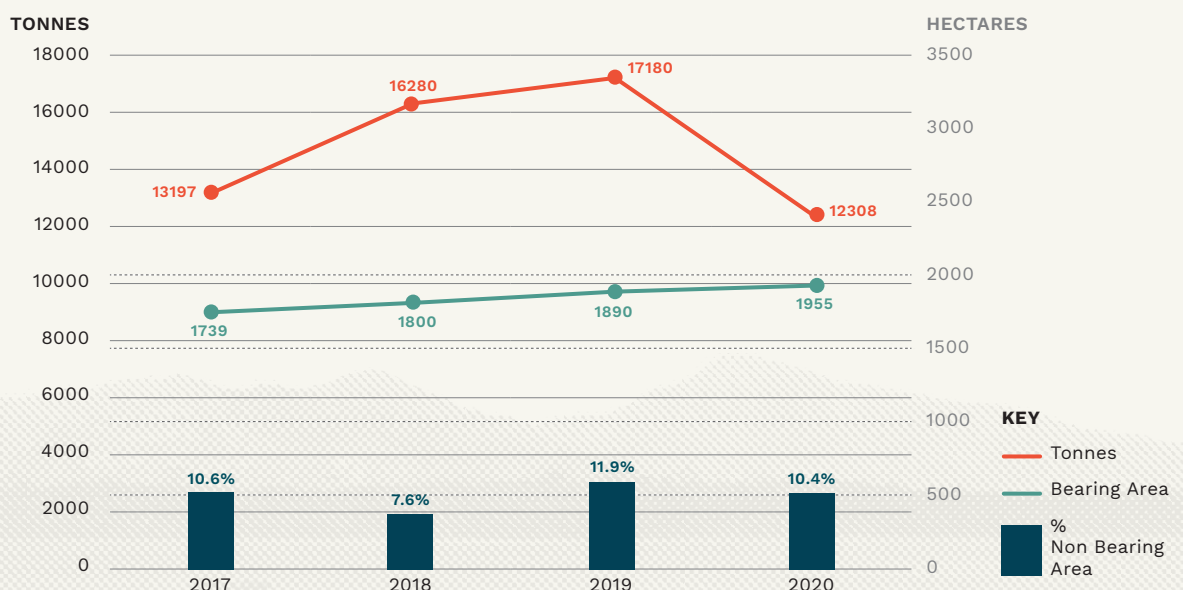
ABOUT THE TASMANIAN WINE SECTOR

The Tasmanian wine sector conservatively contributes more than \$200M to the state's economy, placing it in the state's top ten sectors. The sector's contribution encompasses agriculture (vineyards), manufacturing (wineries) and tourism (cellar door and wine tourism expenditure by inbound visitors). The wine sector directly supports 2,063 Full Time Equivalent positions, which represents 10% of total employment in the agriculture, forestry and fishing sector in Tasmania².

The Tasmanian wine sector is leading the country's wine regions in terms of positioning, value and reputation. The 2020 Tasmanian vintage report (available at www.winetasmania.com.au/vintage2020), highlights this focus on quality and value in the national context. All Tasmanian wine produced is in the niche premium wine sector retailing above \$15 equivalent. This segment represents just 7% of Australia's total wine production, but 28% of its value. Prices for both Tasmanian grapes and wine are some of the highest nationally. The growing global thirst for key cool climate varieties and styles, such as Pinot Noir, sparkling wine, Chardonnay and Riesling, provides significant opportunity for Tasmania to grow its wine consumer base.

Tasmania's talented wine producers continue to attract global attention and recognition for their outstanding and distinctive wines. This recognition has led to some of the highest prices in the country being paid for Tasmania's wines and wine grapes, ensuring that Tasmanian wines continue to be in strong demand, and resulting in increased visitation to Tasmania and its cellar doors (notwithstanding the impacts of Covid-19).

Importantly, the strong interest in Tasmanian wine is encouraging ongoing investment and growth by both new entrants and existing Tasmanian wine businesses. Even while experiencing the impacts of Covid-19, growth has continued during 2020 through new winery and cellar door facilities as well as vineyard plantings. As shown in the figures above and chart below, the Tasmanian wine sector's vineyard area has been steadily growing at approximately 7% annually, although Tasmania's cool climate results in significant variability of wine grapes harvested and the resultant availability of Tasmanian wine produced, also shown.



² Economic impact of the Tasmanian wine industry 2018, Professor John Mangan, University of Queensland



WHY IS TASMANIA SO AWESOME?



TASMANIA



AUSTRALIA

Bottles of wine produced – 2020 vintage

889,000 dozen

109,000,000 dozen

Tasmania's share of total **volume**

1%

100%

Tasmania's share of total **value**

4.2%

100%

Wine sold **above** \$15 per bottle

100%

7%

Wine sold **below** \$15 per bottle

0%

93%

Average value of bottled wine sold
in Australia in 2020

– all wine

\$22 per bottle

\$12 per bottle

– sparkling wine

\$26 per bottle

\$12 per bottle

Average value of bottled wine sold
internationally in 2020

\$18.21 per litre

\$7.34 per litre

Average value of **wine grapes** in 2020

\$3,037 per tonne

\$694 per tonne

Updated: December 2020

Sources: Wine Tasmania, Wine Australia, Australian Grape & Wine / Centaurus Partners

OUR STRATEGIES



1 >>>

PROACTIVELY PURSUE OPPORTUNITIES TO COMMUNICATE, POSITION AND PROMOTE THE UNIQUE TASMANIAN WINE STORY AND DRIVE MARKET-LED GROWTH.

- Lead and position the Tasmanian wine story, with a constant focus on differentiation
- Deliver dedicated social campaigns to tell the Tasmanian wine story, profile its producers and encourage referrals to them and their websites
- Consistently tell the Tasmanian wine story through a targeted communication program, promotional activities, events, trade and media engagement, social campaigns and partnerships, including through innovative technologies, collaboration and experiences
- Encourage wine producers to adopt the Tasmanian wine story and share their own story within this collaborative framework
- Support Tasmanian wine lovers (public & wine trade) to share and tell the Tasmanian wine story in their own words

We will achieve this by telling the Tasmanian wine story at EVERY touchpoint with consumers, media and trade:

- Executing dedicated social campaigns
- Continuing to refine our communications to reflect brand imagery and language, encourage and recognise members doing the same
- Developing a suite of collateral to tell the Tasmanian wine story and share with trade, media, consumers and media
- Developing targeted material and communications program for VinØ
- Driving regular, targeted promotional campaigns, including via social, online, virtual and other platforms
- Developing partnerships to broaden communications reach, including with other complementary Tasmanian products, people, organisations and stories



2 >>>

PROGRESS TASMANIA'S REPUTATION AS A DIFFERENTIATED WINE PRODUCING AND VISITOR DESTINATION.

- Ensure Tasmanian wines are preferred across a range of styles and price points in key markets, with a focus on driving value and market-led growth
- Challenge traditional solutions to facilitate, communicate and promote Tasmanian wine and wine tourism demand and experiences
- Benchmark the Tasmanian wine sector and its wines, with a focus on its sustainability credentials and leadership in initiatives to address impacts of a changing climate
- Identify, incentivise, reward and build our community of global Tasmanian wine lovers and ambassadors
- Educate, encourage and reward key wine trade supporting Tasmanian wine
- Support and promote the development of unique and high value wine tourism experiences, aligned to the Tasmanian wine story
- Drive targeted visitation to Tasmanian cellar doors and key wine-related events
- Develop measures to benchmark wine sales, tourism insights and results

We will achieve this by developing and promoting Tasmanian sustainability initiatives, wine ambassadors, growing wine trade listings, cellar door visits and consumer engagement:

- Setting targets for carbon emissions, proactively identifying on-brand solutions to offset emissions, and leading targeted sustainability initiatives
- Approaching key wine trade representatives to become ambassadors and developing an incentive, communications and rewards program aligned to brand
- Developing a sustained wine trade program to monitor, incentivise and reward wine trade that source and stock Tasmanian wine, including hosting wine trade visitation
- Revitalising the Tasmanian Wine List of the Year activity
- Expanding the Tasmanian Wine Trails printed and digital publication
- Driving website visitation, facilitating consumer sign-ups and growing the consumer database and communications program
- Hosting key (tourism / lifestyle) media, including partnership with Tourism Tasmania

3 >>> INSPIRE, SUPPORT, EDUCATE AND ASSIST TASMANIAN WINE PRODUCERS TO GROW THEIR BUSINESS PERFORMANCE.

- Hero and reward Tasmania's wine producers, including through business, sustainability, innovation and tourism achievements
- Encourage and support the creation of value in individual Tasmanian wine and wine tourism experiences
- Harness a collaborative (collegiate) approach by Tasmanian wine producers and facilitate knowledge sharing
- Support and represent Tasmanian wine producers to ensure removal of obstacles to market-led growth and encourage positive policies, decisions and support by stakeholders, including government

- Facilitate information, resources, training, workshops, business tools, research and extension to support the knowledge, benchmarking and decision making of Tasmanian wine producers, with a focus on longer term opportunities and risks, including market diversification and agility to respond to a changing external operating environment

We will achieve this by delivering targeted, practical and timely information to members and representing their interests:

- Expanding the Tassie Wine Stars event and leveraging the achievements of Tasmanian wine producers
- Developing and implementing a communications/licensing program for VinØ
- Investigating opportunities to develop partnerships and exclusive arrangements for members, including in the key area of freight and logistics
- Encouraging further development of (wine) tourism experiences
- Delivering regular benchmark tastings, comparisons and insights
- Engaging in two-way communication with wine businesses through visits, online forum and workshops
- Providing data, insights, case studies and resources for Tasmanian wine businesses
- Advocating for Tasmanian wine businesses through submissions, briefings and representation



ABOUT WINE TASMANIA

Wine Tasmania is the peak representative body for Tasmanian wine producers, assisting them to be recognised as world leaders in the sustainable production of premium cool climate wine.

With its members, Wine Tasmania is focused on leadership, collaboration, driving demand and value for Tasmanian wines, supporting their responsible consumption, sustainability, the profitability and resilience of individual wine businesses, and growing the sector's strong contribution to the island's economy and regions across all aspects of wine production.

Established in 2006 as a public company limited by guarantee, the Wine Tasmania Board is skills based and is chaired by independent director Martin Rees. Other directors are Samantha Connew (Stargazer Wines), Rebecca Duffy (Holm Oak Vineyards), Nick Haddow (independent), Tim Lyne (Spring Vale Wines) and David Milne (Josef Chromy Wines), with Kellie Hoffman (Treasury Wine Estates and Chair of Wine Tasmania's Technical Committee) as a permanent observer.

Wine Tasmania represents more than 98% of Tasmanian wine production, with 110 state-wide producer members and 94 associated member businesses. All activities undertaken by the wine sector body are designed to generate value for its members, as outlined in this Strategy.

Wine Tasmania acknowledges the Aboriginal people as the traditional owners of lutruwita (Tasmania), our island home. We pay our respects to the Tasmanian Aboriginal community, their Elders past, present and emerging, their unique cultural and spiritual relationships to the land, water and community.

OUR PEOPLE

The state-wide business employs a full time CEO, Sheralee Davies, and Technical & Extension Officer, Paul Smart. Allison Williams is employed as a casual Project Officer. The organisation is overseen by a seven-member Board of Directors consisting of four industry directors and three independent directors, one of which is also the Chair.

GUIDING PRINCIPLES OF THE WINE TASMANIA BOARD

In developing and reviewing Wine Tasmania's Strategy and activities undertaken by Wine Tasmania, the Board will ensure all activities contribute to an increase in strategic impacts, are implemented competently, reach the greatest number of people possible and have a high impact on those people involved. The Board also recognises that activities will only be undertaken where there is an identified gap to be filled, with a beneficial impact on wine producers and where those activities can be leveraged and maximised, including through strategic partnerships.





WINE TASMANIA BOARD MEMBERS

REES, Martin

Chair/Independent Director

Martin was a Partner of KPMG in Tasmania from 1989 to 2015, including Managing Partner of the Launceston office. In July 2016, he retired as Partner and moved to a part time consultancy role while furthering his career as a Board advisor, Director and undertaking new commercialisation projects. Martin's national consulting experience has involved strategic and business planning, commercialisation of IP, economic impact and financial viability assessments, commercial structuring and restructuring, business valuations and capital raising and financial analysis. Martin also advises a number of private and public sector boards including Vos Construction and Joinery Pty Ltd, Banjos Corporation Pty Ltd, St Lukes Health Insurance Ltd, Hansen Orchards Pty. Ltd, Pets Domain Pty Ltd, Australia China Business Council Ltd and St. Giles Society Ltd. Martin is a member of the Board's Finance & Audit Committee.

CONNEW, Samantha

Member Director

The first case of wine that Sam ever bought was from Tasmania; a dozen bottles of Tamar Ridge Riesling. And her first vintage was in Oregon where, like so many other winemakers, she became captivated by Pinot Noir. So it seems only fitting that after an intervening period of over fifteen years Sam ended up in Tasmania making Pinot Noir, Riesling and Chardonnay. In the interim period, after vintages throughout Australia and in Italy, Spain and in Oregon, Sam spent ten years as the Senior Winemaker at McLaren Vale's Wirra Wirra Vineyards, followed by a couple of years at Tower Estate in the Hunter Valley. Sam's most recent position (prior to making the leap into self-employment) was working for the Australian Wine

Research Institute. None of this was really on the radar after finishing a law and arts degree in Christchurch, New Zealand which Sam subsidised with part time work at a wonderful wine bar in the Arts Centre. It was here that she discovered wine and food, an epiphany fuelled by overseas travel and then confirmed with further study in winemaking and viticulture at Lincoln University. Sam is passionate about the Australian wine industry as well as wine; she's actively involved as a wine show judge, and was the youngest judge and first woman to serve as Chair of Judges at the Sydney Royal Wine Show. She has also recently served three years on the advisory board of the Australian Women in Wine Awards.

DUFFY, Rebecca

Member Director

Bec completed a Bachelor of Agricultural Science majoring in Oenology at the University of Adelaide in 1998. Following the completion of her degree, Bec worked vintages in McLaren Vale, Napa Valley and Coonawarra, before securing a fulltime winemaking position at Capel Vale in Western Australia where she spent 5 years. Rebecca returned to Tasmania in 2006 and has been the co-owner and winemaker at Holm Oak Vineyards for the past 10 years. Over this time she and her husband Tim have established Holm Oak as one of Tasmania's leading family owned wine brands. In 2015 Bec was the inaugural winner of the Owner/Operator award in the Australian Women in Wine Awards, and was named as one of WBM's 50 stars of 2015; and in 2016 Bec was named the Tasmanian winner of the RIRDC Rural Women's Awards.

HADDOW, Nick

Independent Director

Nick is widely regarded as one of the best cheesemakers in Australia. Originally from Adelaide, Nick has worked throughout Australia, the UK and Europe with some of the world's leading cheesemakers since the early 1990s. He moved to Tasmania in 2001 to make the cheese at Pyengana Dairy Company – Australia's oldest cheese producer. In 2003 he began the Bruny Island Cheese Co. which has gained a reputation for being one of Australia's benchmark producers of artisan cheese and has been recognised as

such at both a local and national level on many occasions. Nick also has a very successful and high profile media career that includes his role as co-star of all series of SBS's Gourmet Farmer. He is a successful author, has been a judge at the British Cheese Awards and Chief Judge at the New Zealand Cheese Awards. He helped found the Slow Food movement in Australia and also one of the founding committee members of the Australian Specialist Cheesemakers Association in 1995. Nick travels regularly in the pursuit of flavour and gaining greater knowledge and experience. He is slightly obsessive compulsive about spreading the good word on Tasmania and the quality of life and produce that it offers, including Tasmanian wine.

LYNE, Tim
Member Director

Tim Lyne is a 5th generation family member at Spring Vale on Tasmania's east coast and grew up working in the vines and broader farming property. He completed a Bachelor of Agricultural Science with Honours in Viticulture (specifically frost protection) in 1999, before moving to Coonawarra as the Technical Officer for Southcorp Wines. In this role, Tim ran the company's pest and disease programs and assisted with a range of research projects across the 1,400ha vineyard. He then moved to Brisbane working for a corporate agricultural company with interests in vineyards, macadamia and broad acre cropping. Whilst in Brisbane, Tim completed an MBA in 2005, focusing on entrepreneurship, marketing and finance. In 2006, Tim returned home to the 6.6ha Spring Vale vineyard to take on the role of General Manager. He is now Managing Director / owner, having grown Spring Vale (with help, of course) to 31.6ha and with its wines distributed throughout Australia, China, Hong Kong and Russia.

MILNE, David
Member Director

Having bribed his way across Russia at 18, taught English to Hong Kong execs at 19 and run out of money at 20, Dave was destined to find a dynamic industry to finance his backpacking. "If I can't afford to stay there, I'll work there" was the motto. So with a degree in hand and having worked as a sommelier in the UK's Lake District in the mid 1990's, on returning home Dave took on various F&B and resort management roles at some of Australia's iconic destinations. The eureka moment occurred while he was managing Seven Spirit Bay Wilderness Lodge in Arnhem Land and had a chance meeting with Len Evans. Enticing him deeper into the world of wine, Dave jumped the fence and became the Production, Sales and Export Manager for one of the pioneers of winery tourism in Australia (2002–2008 Warrenmang Vineyard & Resort). Dave joined Josef Chromy Wines in mid 2008 after its first full financial year of operation with sales of 6,500 cases. In his own words, 'rarely is there an opportunity to join a wine business in its infancy, and develop and personally execute its sales and marketing strategy'. The wines are now available nationally and in 14 international markets. Dave was one of 15 wine industry professionals identified in 2015 to participate in the Wine Australia Future Leaders Program to shape the future of the Australian wine industry.





REMNANT, Robert
Independent Director

Rob Remnant has extensive experience in marketing luxury wines and spirits throughout Asia Pacific. This includes as Managing Director of the PIPER-HEIDSIECK and Charles HEIDSIECK champagne houses; he is believed to be the only Australian to have managed not one, but two 'Grandes Maisons de Champagne'.

Born in the UK, Rob commenced his 21-year career with Hong Kong-based Jardine Matheson & Co., Ltd in 1974, including time in Hong Kong, London, Tokyo, Seoul, Johannesburg, Kuala Lumpur, Melbourne and Hanoi. In 1996, Rob joined LVMH, where he held senior positions across Asia Pacific, including as Managing Director of Moët Hennessy's joint venture with Diageo in Malaysia, Regional Vice-President (Asia Pacific) of Moët Hennessy's Estates & Wines Division and President of Moët Hennessy's Japanese subsidiary, Moët Hennessy Diageo KK.

Rob returned to Australia in 2015. He has now spent the best part of 45 years in the Asia Pacific region, most of which comprised an intense focus on champagnes, fine wines and super-premium spirits brands. He has developed a passion for Tasmania and Tasmanian wine – and for the endless potential associated with each.

Rob is the founding Managing Director of his consulting business, QFB Pty Limited, and a non-executive director of two Australian wineries, Taltarni and Clover Hill.

KEY STAKEHOLDERS

WINE TASMANIA WINE PRODUCER MEMBERS

- Wine Tasmania's wine producer members are its key stakeholders and all activities undertaken are designed to generate value for them.

OTHER STAKEHOLDERS

In the broader context, there are several additional stakeholders that play a role in Wine Tasmania's overall strategic direction. These stakeholders include, but are not limited to, the following:

- Other Tasmanian wine producers (non-members)
- Targeted local, national and international wine consumers and tourists
- Wine trade, with an on-premise and specialist retail focus
- Wine writers, lifestyle, tourism / travel, specialist and mainstream media
- The Tasmanian Government, particularly the departments of State Growth and Primary Industries, Parks, Water & Environment
- Tasmanian statutory authorities, particularly Tourism Tasmania and Brand Tasmania
- Related wine, food, tourism, agricultural and trade associations including the Tourism Industry Council of Tasmania, regional tourism bodies, agricultural and hospitality organisations
- Research and educative agencies, such as the Australian Wine Research Institute (AWRI), the Tasmanian Institute of Agriculture (TIA), University of Tasmania and TasTAFE
- Wine bodies including Australian Grape & Wine, Wine Australia, other state and regional associations
- Capital fundraisers and investors in the Tasmanian wine sector
- Wine sector suppliers and workers, including seasonal and agency labour

MANAGING WINE TASMANIA SUCCESSFULLY

Wine Tasmania's full time CEO is responsible for the day to day running of Wine Tasmania as a small business, reporting directly to the Wine Tasmania Board. The Board provides strategic input, governance and advice to the CEO on strategic direction, decision making processes, policy, operational activities, financial activities and sustainability, people/human resources, communication, governance, risk and compliance.

As a small organisation, the Board and management regularly review the external operating environment to identify and best position the Tasmanian wine sector to address key opportunities and challenges.

The Board utilises a wide range of tools and mechanisms, including:

- Strategy
- Decision-making matrix map
- Board meetings / AGMs
- Annual strategic planning session
- Board Charter and Skills Matrix
- Financial reporting
- Corporate Governance protocols & social media policy
- Consent to Act as a Director Form
- Risk Register
- Contracts Register
- Member Register
- Finance & Governance Committee
- Technical Committee

The Board measures its performance through an annual structured review process, including measures of success articulated in this Strategy, the attraction of qualified personnel, its financial position, membership attraction and retention.





WINE TASMANIA

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