

A Vision for the Future of the Barossa Region

-PeterJoy





WARNING

The person giving this presentation does not live in the Barossa, nor does he have any close relations or family members associated with the Barossa.

He is only one voice and his views are not endorsed by the BGWA or its associated entities.

He believes the Barossa is on the edge of greatness, but needs to change. His ideas are likely to offend some people. Please keep away from naked flames and young children.

**Three things every
~~organization~~ Region
(and person) needs
to know by heart:**

Purpose

**The reason you're doing
what you're doing**

Vision

**What things look like
if you succeed**

Strategy

**An ever-adapting plan
for how to get there**

Context

Our Collective Purpose

To improve the SOCIAL and
ECONOMIC prosperity of the
Barossa region

Health
Education
Enjoyment/Happiness
Community Welfare...

Business Profitability
Household Disposable Income
Employment
Wealth...



Barossa Region

Population: 40,147

Employed: 18,478

GRP: \$1.54 billion (Barossa Council)

Wine Production
207k tonnes
\$725 million

Trade Suppliers
& Services
91 companies

Grape Growing
Viticulture
70k tonnes
\$150 million

Food
Manufacturing
\$10 million

Restaurants
32 places

Tourist
Expenditure
\$206 million

Cellar Doors
80 locations

Festivals &
Events
(382 a year)

Accommo-
dation
229 places
\$127 million

Cafes &
Bakeries
40 places

Retail &
Supermarkets

Schools &
Education

Government
& Public
Administration

Health Care
& Social
Assistance

Construction
& Building

Other Manufac-
turing

Energy &
Utilities

Transport &
Logistics
6 companies

Inflows

- Tourists 219k overnight visits, 695k domestic day trips
- Workers (6,125)
- Supplies & Services
- Capital/Investment

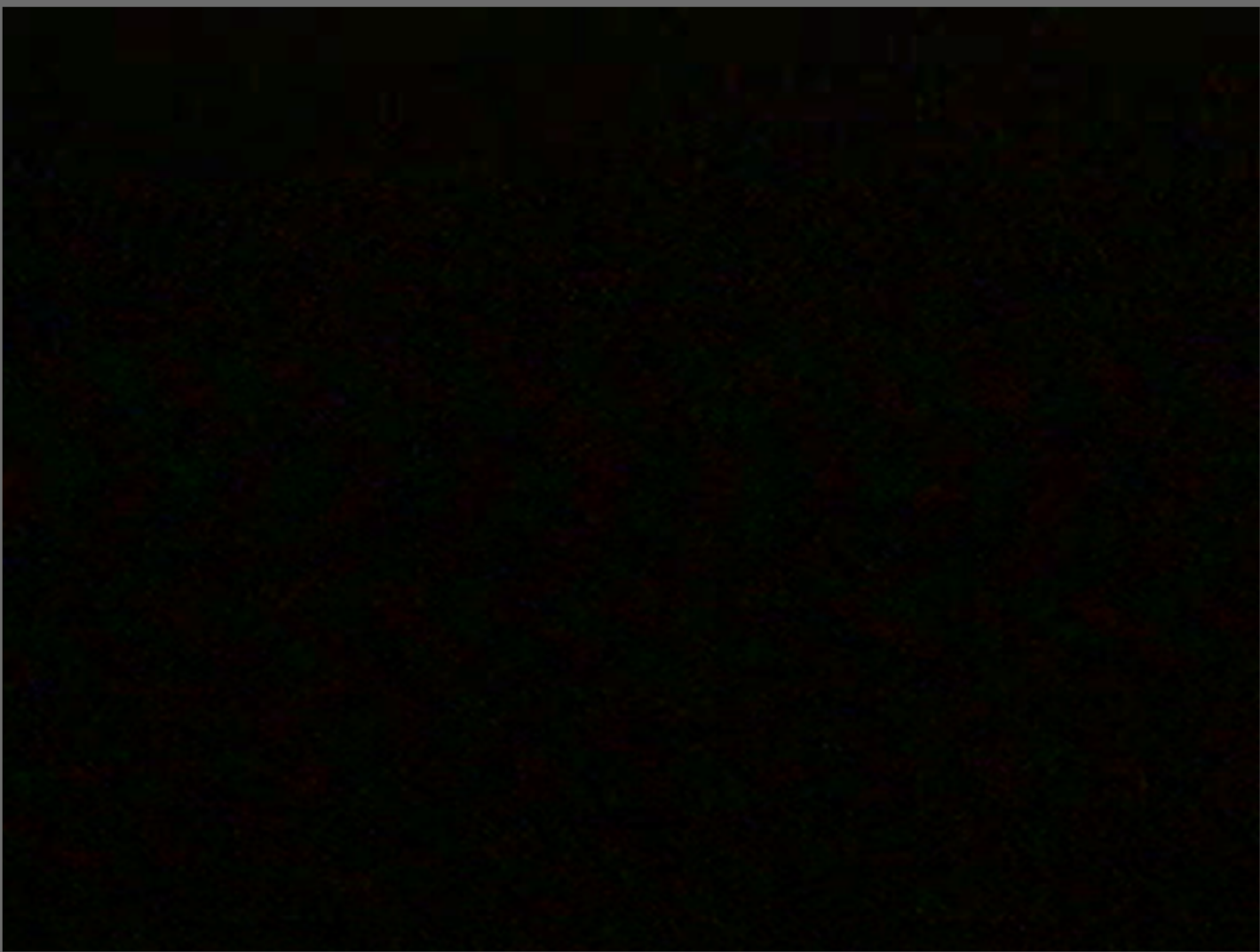
External Influences

- Economy – Fees/Taxes/Interest Rates
- Political/Govt Policy
- Climate Change/Rainfall
- Energy/Utility Costs
- Global Economy – Exchange Rates, Tariffs
- Safety/Security/Terrorism
- Technology etc.

Outflows

- Wine Sales/Exports
- Workers (8,692)
 - Tourists
- Supplies & Services

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bok like if we
succeed...

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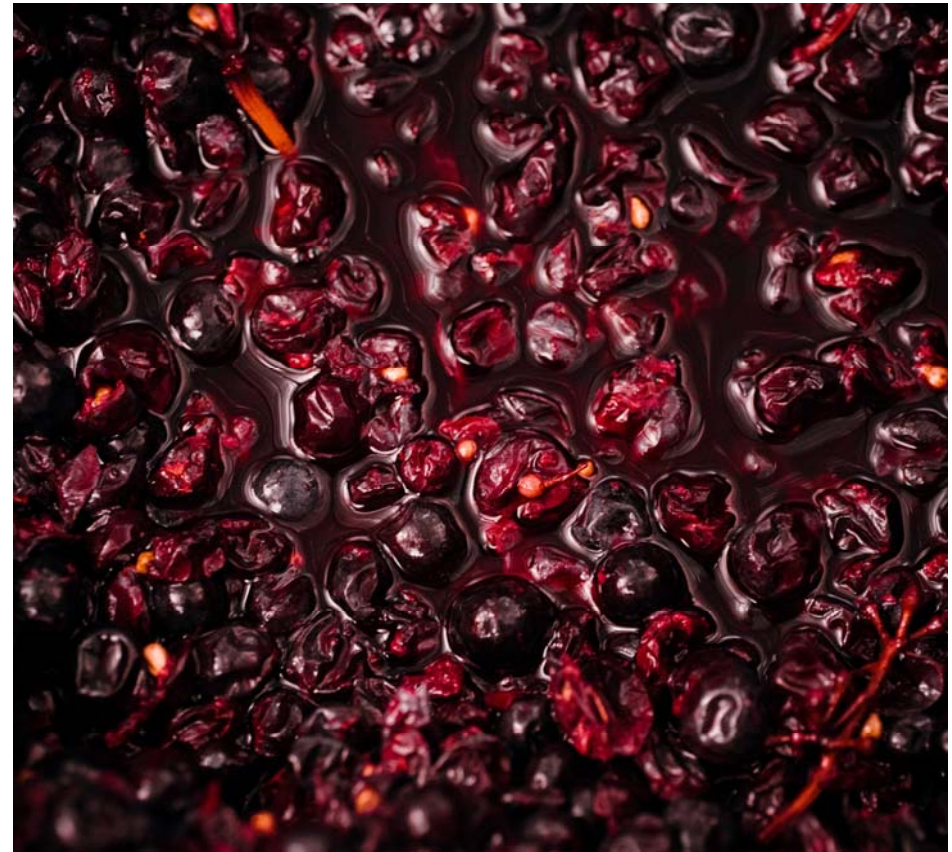
W e are one of the world's great wine regions

Barossa is the pre-eminent Shiraz production
region in the world

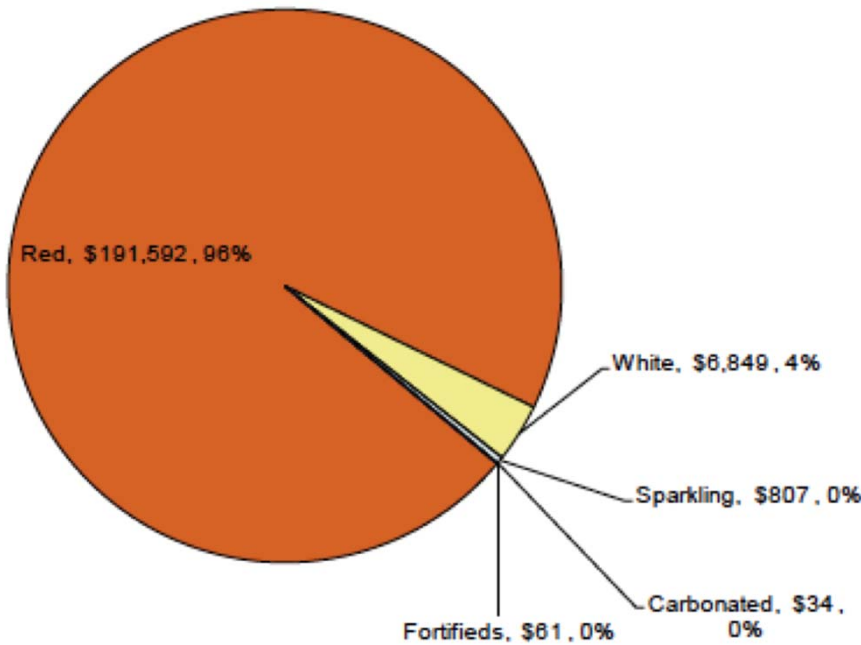


Shiraz/Syrah

- Shiraz is one of the most popular wine styles in the world
- Australia is the second largest producer of Shiraz in the world
- Barossa is the home of the world's oldest, continuously productive Shiraz vines
- Over 90% of the wine exported from the region is Shiraz
- Shiraz is fueling the growth of exports, particularly in China
- Barossa's reputation is built on 170 years of Shiraz production



Shiraz/Syrah



Value of wine exported (\$ '000). Barossa Zone. MAT June 2019

LONDON: WHICH SYRAH ARE THE MOST LISTED IN WINE SHOPS?



Barossa Valley is the most listed Syrah/Shiraz appellation in London. 14% of wine shops list at least one wines of Barossa Valley.

MOST LISTED SYRAH/SHIRAZ WINES

1. Barossa Valley (au)
2. Yarra Valley (au)
3. McLaren Vale (au)
4. South Australia (au)
5. Clare Valley (au)
6. Stellenbosch (za)
7. Adelaide Hills (au)
8. Central Coast Area (us)
9. Hawkes Bay (nz)
10. Western Cape (za)
11. Collines Rhodaniennes IGP (fr)
12. Swartland (za)
13. Colchagua Valley (cl)
14. Côtes du Rhône (fr)
15. Eden Valley (au)
16. Mendoza (ar)
17. California (us)
18. Coastal Region (za)
19. Coonawarra (au)

TOP SYRAH APPELLATIONS LISTED AMONG THE TOP 10 LARGEST WINE SHOPS

Majestic Wine	Selfridges	Handford Fine Wines	Odd Bins	Harrods	Prohibition Wines	Aske Wine	Soho Wine Supply	The Sampler	The Wine Twitter
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
✓			✓		✓	✓		✓	✓
✓		✓	✓		✓	✓			✓
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Listings of Shiraz in London's Top 10 wine shops

What things
look like if we
succeed...

WHAT DO WE DO?

EVERYTHING we do delivers on a unique, consistent brand promise and experience.

"Any bad wine coming out of the Barossa hurts me"
Peter Lehmann



What is our Brand Promise?

It needs to:

- deliver on the needs, desires and expectations of our customers
- be credible and true to who we are
- be distinctive and different to other regions
- be global





Our Brand Promise

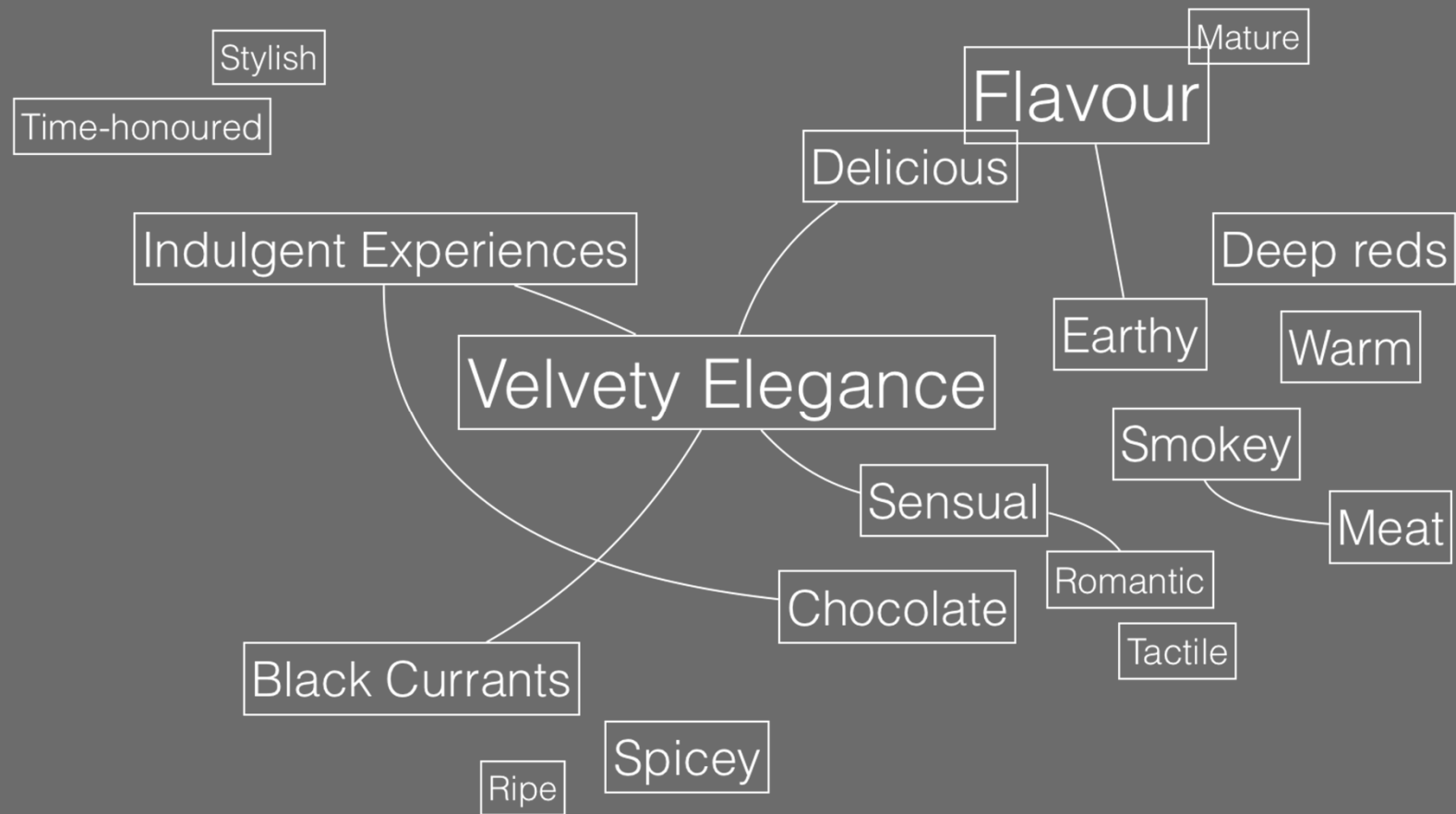


Our reputation has been built from 170 years of wine making. Great quality red wine making.

16.5 million bottles x 2 people x 170 years = 5.6 Billion Impressions

These impressions are what the world knows and expects of us

The characteristics of four wines (mainly shiraz) are the characteristics of the region





What things
look like if we
succeed...

OUR BRAND HAS VALUE

Our Brand (the word Barossa) is worth

\$500 million a year...

...when we attach the word to wine, visitor and food experiences that deliver on the promise they get twice the price as from any other region!



Our Current Brand Value

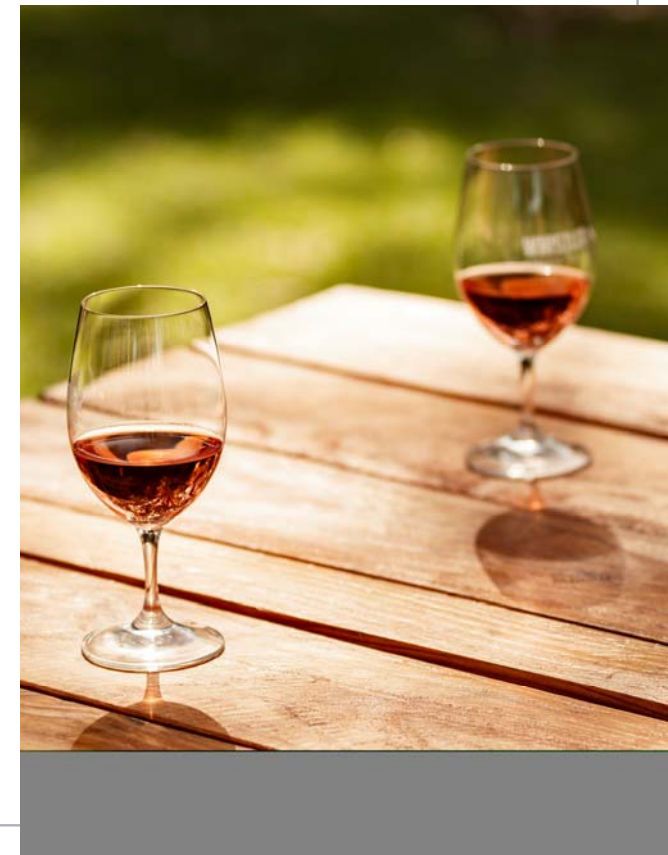
Export value of 'Barossa Valley' labelled wine (June 2019)
= \$19.46 per litre

Export value of 'South Australia' labelled wine (June 2019)
= \$10.58 per litre (C Clare = \$8.73, McLaren Vale = \$11.44)

Annual Volume of Barossa Zone wine exported Dec 2018
= 12.4 million litres

Premium Brand Value 2019
= 12.4 million litres x \$8.89 per litre

... \$110 million





If we can generate
a premium of \$110
million a year for
our wine, we
should be able to
do it for food,
tourism and
everything else!



What things
look like if we
succeed...

SHARED PROSPERITY

That everyone understands and appreciates the interrelated nature of the region's prosperity and supports a common purpose.



"Success comes from a compelling purpose, tightly imbedded in an interlocking system of value creation, and does so in a way that is difficult for others to imitate".

Cynthia Montgomery, Prof Business Strategy
Harvard Business School

Our Context

- Regional towns are dying, losing population and economic viability
- Climate change is putting at risk agricultural production... water security, severe weather events etc
- Globally, the anti-alcohol lobby is gaining momentum
- Consumers are fickle and distracted by bright shiny things (McLaren Vale)
- We cannot rely on government and big business to help us
- Local and global economic growth is slow and volatile (China trade)
- Technology continues to disrupt businesses and demands lower costs and greater efficiencies



Strategy.
An ever-adapting
plan for how to get
to where
we want to be.

What do we
need to do?



One Organisation

Barossa Australia Inc

- Visitation & Events
- Wine & Food
- Grapes, Agriculture & Environment
- Community & Development
- Education & Learning

A new Board and Management

One Identity

One logo

Use the 'TrustMark' to control, define
and reward people and organisations
that deliver the vision



One Voice

Articulate our beliefs, culture and values

Enlist the whole community

Resurrect, own and take
Be Consumed' to the world

Create one website gateway to the region



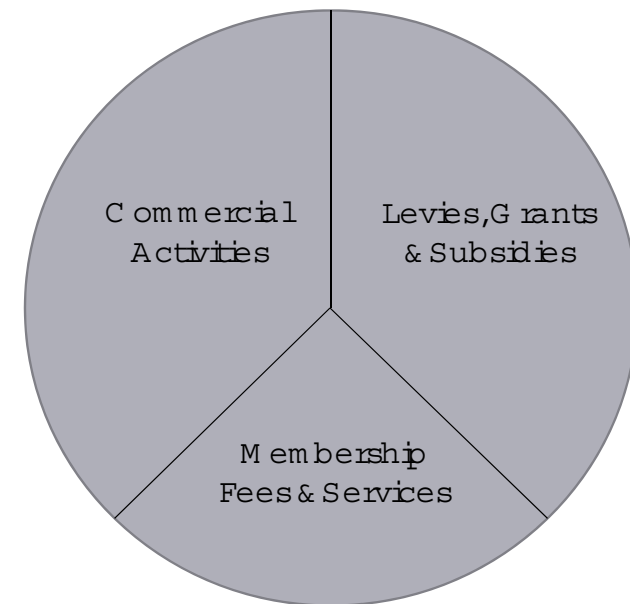
Multiple Funding

Pool existing resources and funding

Develop new income sources and commercial opportunities

Go to government as one region

Build and support social enterprises that help local charities and initiatives





The Best Part

The Barossa is already a great region, a great community and a powerful brand.

We are custodians. We need to care for, protect and improve the region for future generations.