WINEGB
WINES OF GREAT BRITAIN

2020 INDUSTRY REPORT

Great Britain's wine industry – a bright future

THE 2019 WINEGB INDUSTRY SURVEY RESULTS

Introduction by Simon Robinson, WineGB Chair


SIMON ROBINSON, CHAIR, WINEGB

I write this as we have come through one of the most extraordinary periods of all our lives. Little did we know what 2020 would bring when we sent out our annual survey to members earlier in the year. Although the Covid-19 Pandemic is unlikely to affect our production, our sales through some channels have inevitably suffered serious setbacks. On the other hand, direct to customer sales have seen impressive growth and we therefore remain positive for the future.

Next year's survey will reflect some of those seismic changes to our businesses in 2020. This report, however, focusses on the impressive progress of the UK wine industry in 2019 and provides an update on our recent developments.

In last year's report we celebrated the exceptional harvest of 2018, both in terms of quantity and quality. Whilst harvest 2019 was more challenging, it yielded both excellent quality and our second highest production year; these higher volumes reflect our increasing hectarage. We continue to benefit from the many successes of the UK's traditional method sparkling wines in both national and international competitions, and 2018 proved to many in the trade and press the tremendous capabilities of our still wine production. Quality, variety and innovation across all our regions show that this is another exciting sector to watch.

2019 proved another productive year in other ways. We saw increased sales both here and overseas together with great progress in our wine tourism initiatives across England and Wales. Another encouraging area is the increase of employment in our industry, which continues to boost our contribution to the rural economy.

In the media our wine industry continues to receive extensive and positive coverage which further cements our reputation with trade and consumers. Last year we made a conscious effort to step up our social media presence, which is already showing a significant increase in traction as Great British wines gain new fans from across the globe.

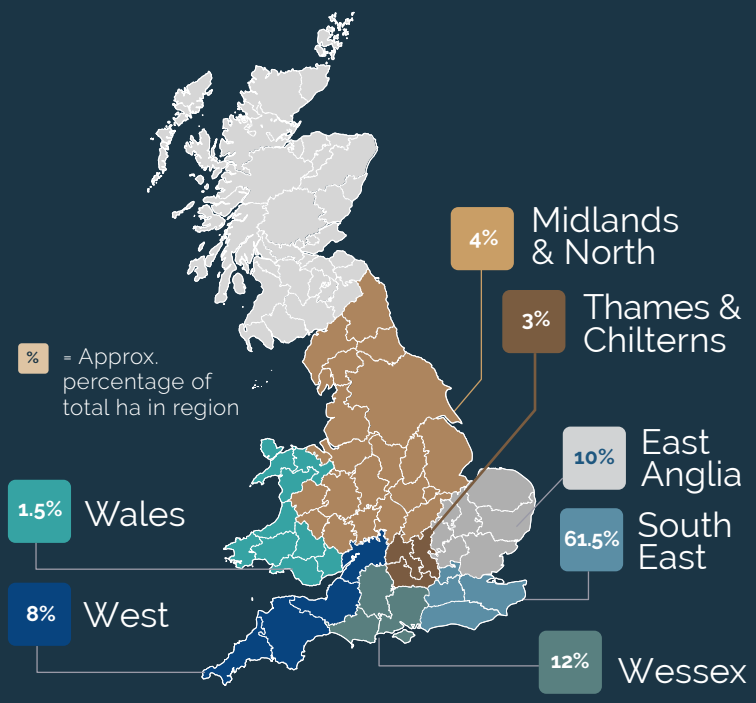
This report shows 2019 as another great positive year for this industry which reinforces our confidence for the future.

Contents

CREDITS: **Wine Intelligence Ltd** conducted this survey of UK growers/producers on behalf of Wines of Great Britain. We are indebted to **Stephen Skelton MW**, for providing advice and his 2020 database of UK vineyards as a baseline to weight the observed data. We are also grateful to **Wine Standards Branch** (Food Standards Agency) who produce the official record of vintage production for DEFRA. **Note:** in this document, percentages may not add to 100 and totals may not reflect exactly amounts forming part of them; this is due to rounding as we do not wish to give a false sense of total accuracy in the numbers which are based on a survey of members and which inevitably did not get a 100% response rate. WineGB is, however, confident that the overall impression given remains valid.

Results from the 2019 trade survey

1. The wine regions of GB



Map above adapted from https://commons.wikimedia.org/wiki/File:British_Isles_in_counties.svg and reproduced under the Creative Commons Attribution-Share Alike 4.0 International license.

WineGB has seven regions, each with their own regional vineyard association and covering all wine-producing counties of Great Britain.

Breakdown by region

WineGB region	% overall ha	Approx ha	Approx no. vineyards
South East	61.5%	2147	222
West	8%	292	176
Wessex	12%	406	104
East Anglia	10%	354	108
Midlands & North	4%	143	87
Thames & Chilterns	3%	97	41
Wales	1.5%	51	31

Credit: Stephen Skelton MW, 2020

Regional counties

- **WineGB East Anglia** - Bedfordshire, Essex, Hertfordshire, Norfolk, Suffolk, Cambridgeshire, London North & East
- **WineGB Midlands & North** - Midlands, North East, North West, Scotland, Northern Ireland
- **WineGB South East** - Kent, Surrey, Sussex, London South
- **Thames & Chilterns Vineyards Association** - Berkshire, Buckinghamshire, Oxfordshire
- **Welsh Vineyards Association** - counties of Wales
- **WineGB Wessex** - Dorset, Hampshire, Isle of Wight, Wiltshire
- **WineGB West** - Cornwall, Devon, Somerset, Avon, Dorset, Worcestershire, Gloucestershire, Herefordshire

2. Hectarage and growth in number of vines planted

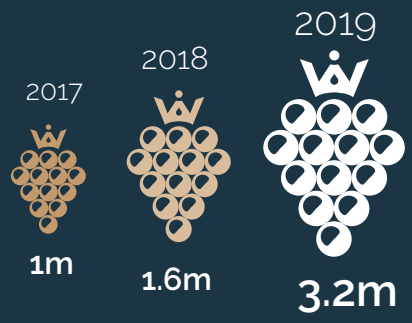
Total hectarage

up 150%
in ten years

quadrupled
since 2000

Hectarage planted in Great Britain has grown by over 150% in the last 10 years and quadrupled since 2000.

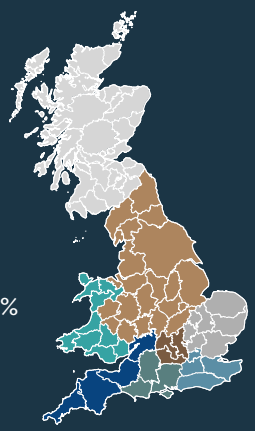
Growth in number of vines planted



26%
of all grape growers are **planning to plant new vines** over the next three years

New planting plans by region

- Wales: 38%
- East Anglia: 33%
- South East: 30%
- Midlands & North: 28%
- West: 24%
- Thames & Chilterns: 20%
- Wessex: 14%



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3. Number of vineyards & wineries

Approximately
770
Vineyards

165
Wineries

Vineyard numbers based on over 0.10ha and over.

4. Hectares under vine by variety

TOTAL UK VINEYARD AREA = APPROX 3,500 HA

VARIETY %	APPROX. %	APPROX. HA
Pinot Noir*	33%	1,155 ha
Chardonnay	32%	1,120 ha
Pinot Meunier	13%	455 ha
Bacchus	5%	175 ha
Seyval Blanc	2%	70 ha
Pinot Gris	2%	70 ha
Rondo	2%	70 ha
Others	11%	385 ha

* includes Pinot Noir Précoce

Source: Wine Intelligence/WineGB Industry Survey 2020

Chardonnay and Pinot Noir have consolidated their dominance of the varietals planted in the UK. Both varietals are now used in both sparkling and a small, but increasing, number of still wines.

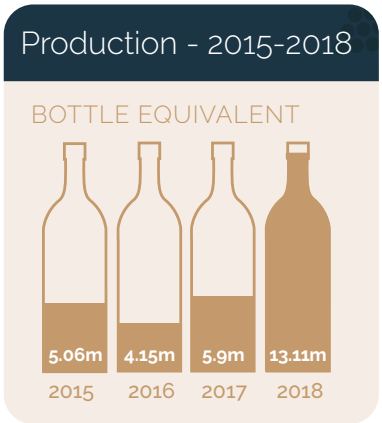
5. Production

Production in 2019

10.5m bottles

The official production figure is recorded by DEFRA, supplied by Wine Standards Board (Food Standards Agency).

Just over a quarter of respondents say they used oak barrels in 2019 harvest. Going forward, half of producers currently using oak barrels say they will be using more oak in the future. This was a new question in the 2019 survey and we will monitor developments over coming years.



Data collected post harvest each year by Wine Standards Branch (Food Standards Agency).

72% sparkling

(2018: 69%)

28% still

(2018: 31%)

Photos, right, top to bottom, reproduced © and courtesy of: 1. Wiston Estate, Sussex © Matthew J. Thomas, The Phytographer; 2. Nyetimber, West Sussex; 3. Llanerch Vineyard Hotel, Wales; 4. Simpson's Wine Estate, Kent; 5. Astley Vineyard, Worcestershire.

6. Sales and Distribution

Estimated total bottles sold in 2019

5.5 million
(2018: 3.2 million)

UK distribution

- Through trade – **54%**
- Cellar door – **29%**
- Online (Including website) – **7%**

Sales by category

67% sparkling

33% still

98% of the sparkling bottles sold in 2019 were produced using **Traditional Method**

The definition of "sold" in this case may or may not involve the product paying UK duty. It may be in the distribution system yet remaining in bond, or may have been sold in duty free and export channels, where UK duty is not applicable.

There is no on/off split for UK trade sales distribution.

Exports

exports = 10%
OF ALL BOTTLES SOLD
(2018 = 8% of all bottles sold)

With exports increasing from 8% of all bottles sold in 2018 to 10% in 2019, our overseas sales have more than doubled from approximately 256k bottles to 550k in just one year. The majority of export sales are from the large producers and brands, and traditional method sparkling wine accounts for almost all exports.

Exports will continue to rise in volume as existing producers increase distribution to their target markets and as new producers start exporting. Exports also support our burgeoning wine tourism sector. There is an active Export Working Group within WineGB, led by the key exporting producers, whose current focus is collaborative promotion in target markets.

Our primary export market continues to be in the USA. However, the industry's market leaders are also successfully developing markets in Scandinavian countries, Canada, Australia and Japan.

We are working with the Department for International Trade (DIT) and DEFRA's Food is GREAT team, who led successful export promotions to Japan and USA in 2019.

Last year saw the return of five producers to ProWein in March, supported by DIT. Our ambitions are to grow our presence at this international trade show, as more producers see export as a key part of their sales focus.

approximately bottles **550,000**

Major export countries in 2019:

- Norway – 20%
- USA – 17%
- Canada – 17%
- Australia – 11%
- Sweden – 7%
- Japan – 6%
- China – 4%
- Denmark – 4%
- Other – 14%

34% of exports are to Scandinavia

Top US Destinations

1 California
2 New York
3 Washington DC
4 Texas

Other cities include Boston & Chicago

7. Wine Tourism

Breakdown of UK vs overseas visitors

83% from the UK

17% from overseas

4,449 average **monthly visits** to vineyards

Vineyard clusters on a regional, and even local, level such as The Vineyards of Hampshire, Wine Garden of England, The Vineyards of the Surrey Hills, Wine Trail Wales and, in the process of planning, a Yorkshire wine trail, demonstrate how effectively vineyards can work together to collectively promote their area to wine tourists.

Working with local hotel groups, pubs and restaurants is an important part of this equation, along with developing more links with other many local attractions. Consumers need access to English and Welsh wines and this will only be achieved when it is readily available by the glass in most outlets.

Working more closely with tourism bodies to provide support for winery clusters is part of the work carried out by regional groups, and developing stronger ties with the national tourism body is important part of WineGB's Tourism Working Group's agenda. Over this year the Working Group has been developing a Charter of Standards to help individual cellar doors and clusters create a visitor experience to world-class standards.

This year has seen a significant downturn due to the global pandemic, but there are encouraging signs as outlets re-open; vineyards have experienced a healthy uptake in numbers and look to 2021 to consolidate growth of this side of the business.

Image credits this page, right top row left to right: logos of Wine Trail Wales, Vineyards of the Surrey Hills, Wine Garden Of England. Row 2: Vineyards of Hampshire map, right: Wine Visitors Guide to London, Surrey, Sussex and Kent. Bottom row: Llanerch Vineyard Hotel, Wales; Simpson's Wine Estate, Kent (centre and left). All © individual organisations and vineyards as listed.

8. Ongoing growth in rural employment

Any market-led sector within British agriculture that anticipates a growth in employment is a welcome boost to help maintain the rural economy and the villages and towns where they live. Britain's wine industry is creating prospects for a workforce with a wide range of skills and age groups, supported by the training and upskilling opportunities now increasingly available (see next page).

WineGB's Vision Paper in 2018 identified between 20,000-30,000 new full-time employee positions being created over the next two decades. In just two years, employment in the UK wine Industry saw a growth of over 35%.

Full Time Employees

3,940

(2,248 In 2018)

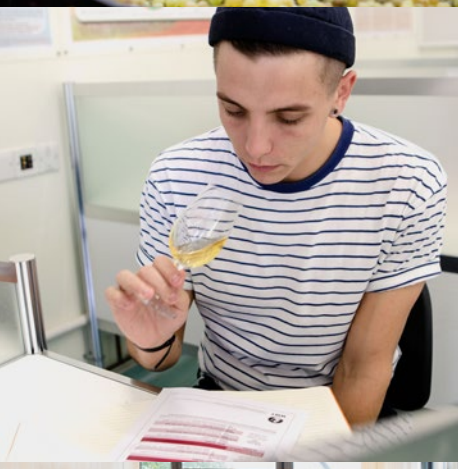
Full Time Employee Equivalent

7,131

(5,764 In 2018)

Total 11,071

Full Time/Full Time Employee Equivalent in wine industry in 2019 (8,012 In 2018)



9. Education & training: essential for our future

A significant proportion of producers in Britain want more training to enable their vineyards to expand and develop. Plumpton College in East Sussex has been a pioneer in this field, offering a curriculum of winemaking and viticulture courses to business and marketing that now embrace a spectrum of options from Masters, BSCs and specialist wine making apprentice courses.

This September sees Plumpton's new re-training programme 'Entry into Viticulture'' in direct response to COVID-19. These short courses are designed to provide job seekers and career changers with introductory knowledge, sector engagement and relevant qualifications to offer potential opportunities for employment in the UK wine industry.

Over the past year, WineGB's Education and Training Working Group has continued to build a programme of new initiatives to enhance and develop skills within this burgeoning sector. This includes ongoing work with Plumpton College to deliver courses and training opportunities within each of our wine-growing regions.

We continue to work with Central Government, County Councils, and Local Enterprise Partnerships to see how we can broaden the scope of training. Apprenticeships remain very much on our agenda and placements within our wineries are being generously supported by The Vintners' Company. We shall be pursuing new avenues to explore how we might expand this project.

Over the pandemic this year, WineGB has been providing a valuable resource to members and the wider industry through regular educational and informative webinars, covering viticulture, winemaking and business & marketing topics, and plans to continue these moving forward.

EST. 1926
PLUMPTON
COLLEGE

This September sees Plumpton's new re-training programme 'Entry into Viticulture'' in direct response to COVID-19.

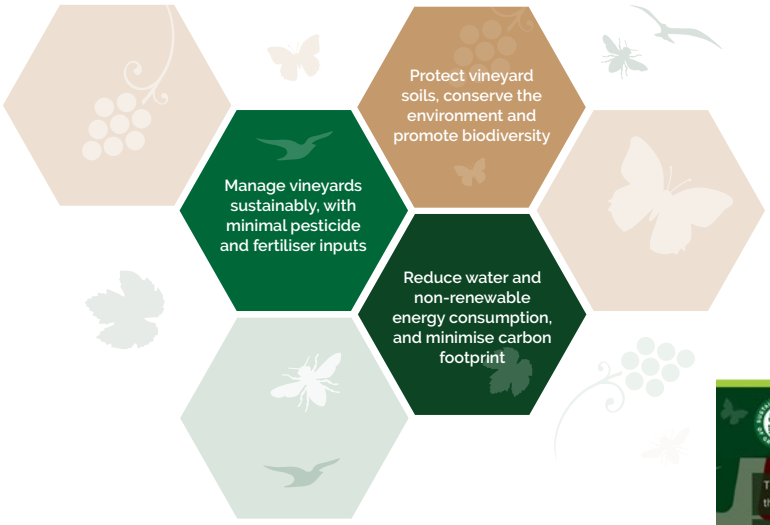
Image credits right hand side of page, top to bottom, all by Chris Lanaway © Plumpton College & Chris Lanaway 2020.

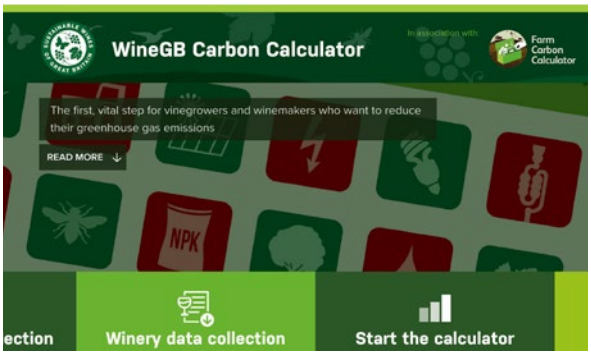
10. Developing industry sustainability credentials

In the last year, Wines of Great Britain has developed and now implemented its own Environmental Sustainability Scheme, Sustainable Wines of Great Britain (SWGB). The Scheme's sustainability objectives are promoted through guidelines, which set best practice, minimum standards and prohibited practices in both the vineyard and winery. As it develops, the Scheme will set new guidelines and standards annually, creating a culture of continuous improvement.

30 Founder Member wine producers signed up to the Scheme at launch earlier this year. They encompass different sizes of operation and include leading brands to boutique operations. Between them, they represent some 40% of the total hectarage under vine in the UK with a production capability of around 6.8m bottles. Over a third have already received SWGB accreditation, with others currently going through the auditing process. The introduction of the Scheme comes at a pivotal moment for Great Britain's wine industry, with viticulture now one of the UK's fastest-growing agricultural sectors and WineGB predicting a significant increase in wine production over the coming two decades.

Sustainable credentials are an increasing driver to consumer purchase decisions. Other, competing, wine producing regions, such as New Zealand, Oregon and Champagne already have their own sustainability schemes, and routes to market will increasingly require producers to demonstrate environmentally sustainable values.





Above: The aims of the Sustainable WineGB Scheme. Above right: The Sustainable Wines of Great Britain logo and Certification Mark. Below right: the Sustainable WineGB Carbon Calculator website. Below: Easing Hill Vineyard - new planting with wild flowers and wildlife pond © Judith Davies.

Working with Government

Working with all the relevant Whitehall Departments remains a key objective and WineGB has been developing meaningful dialogue with them to ensure better understanding of how our industry operates and the important contribution it will be delivering for the UK's economy over the coming decades. The industry body has been building awareness with all MPs who have a vineyard in their constituency together with local councillors, National Parks and Local Enterprise Partnerships, as well as the civil servants who straddle all of the above. Vineyards themselves are encouraged to engage with their local MPs. A new All Party Parliamentary Group for the wine industry of Great Britain has now been formed, chaired by Andrew Griffith MP. This Group has already garnered support from a wide number of MPs, and is working with WineGB to help foster awareness in the Industry and its ambitions.

Primary Government projects

1. **Cellar Door Relief** – Support for Cellar Door sales
2. **Export promotion** – Assisting the industry export its products (through trade promotion and including ensuring embassies always serve English and Welsh wine)
3. **Seasonal Labour** – Working with the NFU and other bodies to ensure this important component continues to meet our sector's requirements
4. **DfE** – Support for the geographic broadening of educational establishments provide viticulture and winemaking courses
5. **SDNP Planning Advice Note** – An overview from the South Downs National Park on the role of viticulture within the protected landscape. A reference point for other planning authorities
6. **New PDO/PGI** – Scheme required on departure from the EU.

INDUSTRY PARTNERS

GOLD PATRONS

SILVER PATRONS

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